

# Herald INTERNATIONAL Tribune

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Algeria	6.00	Dr. Iran	115.00	France	1.000	Italy	1.000
Australia	2.25	Israel	1.500	Germany	1.450	Japan	1.000
Bahrain	0.800	Jordan	1.500	UK	1.000	Spain	1.000
Bangkok	50.00	Lebanon	1.500	US	1.000	Sweden	1.000
Canada	0.51	Libya	1.500	West Germany	1.000	Switzerland	1.000
Ceylon	0.10	Malaysia	1.500	Belgium	1.000	Netherlands	1.000
China	11.00	Philippines	1.500	Denmark	1.000	Austria	1.000
Colombia	0.50	Singapore	1.500	Finland	1.000	Portugal	1.000
Cuba	0.50	Taiwan	1.500	Greece	1.000	South Africa	1.000
Czechoslovakia	0.50	Thailand	1.500	India	1.000	USSR	1.000
Denmark	0.50	Turkey	1.500	Indonesia	1.000	Canada	1.000
Egypt	0.50	Uganda	1.500	Malaysia	1.000	UK	1.000
France	0.50	Yemen	1.500	Philippines	1.000	US	1.000
Germany	0.50	Zimbabwe	1.500	Spain	1.000	Japan	1.000
Greece	0.50	Other	1.500	Sweden	1.000	Switzerland	1.000
India	0.50			Netherlands	1.000	Austria	1.000
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Italy	0.50			Greece	1.000	Belgium	1.000
Japan	0.50			France	1.000	Denmark	1.000
Malaysia	0.50			UK	1.000	Finland	1.000
Philippines	0.50			Denmark	1.000	Greece	1.000
Singapore	0.50			France	1.000	UK	1.000
Taiwan	0.50			UK	1.000	Denmark	1.000
Thailand	0.50			Denmark	1.000	France	1.000
Turkey	0.50			France	1.000	UK	1.000
Uganda	0.50			UK	1.000	Denmark	1.000
Yemen	0.50			Denmark	1.000	France	1.000
Zimbabwe	0.50			France	1.000	UK	1.000

ESTABLISHED 1887

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 in Paris.  
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## Trade War Fears Over Airbus



Jesse Barcelona testifying Monday on the Aquino killing.

## Witness Swears He Saw A Soldier Kill Aquino

By Mark Fineman  
*Los Angeles Times Service*  
**MANILA** — More than four years after President Corason C. Aquino's husband was assassinated in a killing that helped change Philippine history, a witness testified on Monday that he saw a government soldier fire a single bullet into the back of the opposition leader's head seconds after he arrived from self-exile in the United States.

The unexpected testimony, from Jesse Barcelona, an airport baggage handler, was the first direct evidence offered in the current trial that links the Philippine military to the assassination of Senator Benigno S. Aquino Jr. on Aug. 21, 1983.

Mr. Barcelona, 30, told the court that for several years he had kept him from testifying. Mr. Barcelona entered the courtroom in Manila, surrounded by seven heavily armed private security guards, and the court building was under heavy guard during his testimony.

Mr. Barcelona told the court that at the time of the assassination, he was driving a baggage truck toward the plane at Manila International Airport and was 15 yards (13 meters) away from the ramp down

## U.S.-EC Rift Widens Over Subsidies

By Stuart Auerbach  
*Washington Post Service*  
**WASHINGTON** — The United States and its West European allies are on a collision course over what a senior administration official calls the most important trans-Atlantic trade dispute for the rest of this decade: U.S. complaints that huge European subsidies to Airbus are an unfair trade practice that threatens a thriving American industry.

At stake is Europe's dream of regaining its position as a major supplier of civilian airplanes to the world, and the future in civil aviation of McDonnell Douglas Corp.

McDonnell, a major U.S. manufacturer, fell behind Airbus in orders in 1986. Two new Airbus models announced in June also threaten to cut into future sales of McDonnell's still-unbuilt MD-11 wide-body jet.

As a result, McDonnell, based in St. Louis, Missouri, "is fighting to survive in this cutthroat business," its vice president, James E. Worsham, said at congressional hearings last June.

Currently the U.S. makers, McDonnell and Boeing Co., dominate the civilian aircraft industry. The Europeans are fond of pointing out that between them, those two companies hold about 75 percent of all orders for civilian airplanes.

Boeing, the clear No. 1, makes 56 percent of all civilian airplanes sold in the world.

But the effects of close to \$9 billion that four European governments have provided for Airbus over the past 17 years will not be fully felt for another five to 10 years.

"By then it is too late to fix it," said a senior administration official.

The issue is coming rapidly to a head, with Boeing and McDonnell putting pressure on the Reagan administration to file a broad-based trade complaint against France, Great Britain, Spain and West Germany. Airbus Industrie is a consortium formed in 1970 by four aerospace companies with funds from the four countries.

In addition, the U.S. companies are threatening to file narrower trade complaints accusing the four governments of illegally subsidizing Airbus and the consortium of "dumping" planes in the U.S. market at below cost.

The broader complaint could bring a White House decision to impose a wide variety of sanctions on the Europeans. It would put the stick of U.S. retaliation behind negotiations that the United States is holding with the European Community, which is negotiating for the consortium.

The industry would like President Ronald Reagan to initiate the complaint, as he has in other cases over the past 27 months. If not, the companies will file the complaint themselves, along with the more narrowly based cases.

It is this combination of a complaint along with charges of dumping that led Mr. Reagan to impose sanctions on Japan last year in a semiconductor trade dispute.

Industry sources said that if talks show no progress, they want to file the subsidy and dumping cases this week.

See AIRBUS, Page 11



Palestinian university students masked their faces Monday to protect their identities during a demonstration on the West Bank.

## 9 Deportees 'Incorrigible,' Shamir Says

By Thomas L. Friedman  
*New York Times Service*  
**JERUSALEM** — Prime Minister Yitzhak Shamir defended Monday the army's decision to order nine Palestinians deported, saying the persons being expelled were "incorrigible."

The nine were ordered expelled on Sunday, despite strong objections by the United States and Egypt.

Mr. Shamir said the expulsions were used "for people who are incorrigible. All those who stand to be expelled already have spent years in prisons and, after leaving prison, they continued their incitement and fanning of flames."

Mr. Shamir added that "first of all, we must restore order and we will do that. Along with this, the government must continue with the same efforts it pursues every day of the year to reach a peace solution."

Within Israel there has been virtually no criticism of the decision to expel the nine Palestinians, whom the government accused of being the "chief instigators" of the recent uprisings.

Palestinians have said the uprising was spontaneous and grew from their frustration with living under the Israeli occupation in the West Bank and Gaza Strip.

Four of the nine Palestinians ordered expelled were from the Gaza Strip and are on a hunger strike in their prisons, the Jerusalem Post reported. They were identified as Shakra, Furayj Khayri and Khalil Kuka.

The nine Palestinians ordered expelled will be able to appeal their expulsions to a military review board and, if that fails, to the Israeli Supreme Court. Most have already begun the process.

The appeals could take four or five weeks and until then the nine will remain in Israeli jails, along with the more than 1,000 other Palestinians from the West Bank and Gaza rounded up in the past month.

Some 100 detainees were set free Sunday and the trials of others for inciting violence are proceeding in the military courts.

It is not clear to which country Israel could expel the Palestinians.

## Banks Shore Up Dollar

### Plunge in Tokyo Unleashes Support; N.Y. Stocks Surge

Compiled by Staff From Dispatches  
**LONDON** — The dollar opened at a jolting postwar low in Tokyo on Monday, then closed higher in other markets as central banks scrambled to prevent the currency from retreating on the first full trading day of 1988.

But traders said that sentiment remained overwhelmingly negative, and that the currency's direction would depend on just how far central banks are willing to go.

Wall Street, however, was heartened by the central bank intervention, and by a cut in the U.S. prime rate by one small bank. The Dow Jones industrial average of 30 major stocks leaped 76.42 points to 2,015.25, erasing all of last week's 60-point loss.

Fifteen stocks advanced for every two that declined. (Page 10.)

Share prices also firmed in London, though they lost ground in Tokyo after the dollar's dismal early performance there.

As currency trading opened in Tokyo, the dollar immediately plummeted to a postwar low of 120.45 yen. The fall appeared to be a direct market challenge to an appeal for currency stability by the Group of Seven major industrialized nations on Dec. 22.

The Japanese, Swiss, West German and U.S. central banks responded with a wave of intervention, dealers said. Purchases by the Bank of Japan alone were estimated at \$1 billion.

The dollar closed higher in both Europe and New York. But the New York closing was off the day's highs following a news report that an unidentified senior Fed official believed that the dollar would fall still further.

The U.S. currency closed there at 1,580 Deutsche marks, up from 1,570 DM Thursday, at 122.60 yen, up from 121.05, at 5,367.55 French francs, up from 5,325.55, and at 1,286.5 Swiss francs, up from 1,269.3.

The dollar also firmed against the British pound, which slipped to \$1.8745 from \$1.8865.

The Federal Reserve, as is its practice, refused to discuss the report published by Market News Service or to comment on market intervention.

The Fed appeared to be joining other central banks in coordinated intervention Monday. There were even unconfirmed reports that the Fed had intervened in Asian markets to prop up the dollar, an unusual move.

But analysts said that the Fed's options were severely limited, given its reported reluctance to prop up the dollar with tighter monetary policy or higher interest rates.

Some economists have suggested that raising rates could hasten a recession, given the fragile state of the U.S. economy in the aftermath of the October stock market plunge.

"The Fed is really in a bind right now," said David Jones, senior economist for the government securities dealers Aubrey G. Lanston & Co.

"The Fed has to adopt a steady-

See DOLLAR, Page 15

## Kiosk

### Soviet Decision On Games Near

**FRANKFURT (AP)** — The chairman of the Soviet sports committee said Monday that the Soviet Union intended to participate in the Summer Olympics in Seoul, and that a decision is expected next week.

As he began a six-day visit to West Germany, Marat Graciov, who also heads the Soviet Olympic Committee, said: "We do not intend to boycott the 1988 Seoul Olympics."

His remarks appeared to clear the way for East bloc countries to compete in the games in September.

## Gorbachev Era Heralds Freer Comecon Trade

By John Tagliabue  
*New York Times Service*  
**WARSAW** — In Krakow recently, Soviet and Polish businessmen drank Crimean champagne to celebrate their countries' first joint venture.

Obstacles arising from years of distrust had been overcome to enable a Soviet company called Miraculum to use Polish expertise and vacant factories to produce cosmetics for the immense Soviet market more cheaply than they could be made at home.

At about that time, Hungarian steelmen were about to sever longstanding ties with a Soviet partner. They had told Moscow that regardless of political reverberations, they no longer wanted the shipments of cheap, poor-grade iron ores that for years had been a kind of symbol of Hungarian-Soviet steelmaking symbiosis. They said they would buy high-grade Brazilian and Australian ores to make better-quality steel and fetch higher prices.

The business sense of both ideas illustrates how East European managers, who once spent most of their time glancing over their shoulders for approval from the Soviet Union, now find themselves free to shop around for profitable deals.

The economic relations of the Soviet Union and its six East European allies are changing, as Mikhail S. Gorbachev seeks to create greater economic vigor in the bloc — if only to counter stagnation at home — and accounts more freedom to experiment.

The new entrepreneurial aggressiveness is one result of the hard times setting in throughout Eastern Europe. Moscow's satellites are weighed down by an immense debt — including a total of \$81.1 billion in foreign debt for all six countries — double-digit inflation and widespread uncertainty.

In East Germany, which regards itself as a showcase for the achievements of central planning, growth is slowing to an annual 3.3 percent, the lowest ever. In Poland, where price increases usually have set off political violence, new increases are in store.

In Hungary, long renowned as a pacesetter for change, many people already hold two or three jobs to make ends meet, and new taxes will further crimp living standards.

In Romania, only a tight secret police network prevents most of the kind of unrest that rocked the industrial city of Brasov in November, when workers rioted to protest food and energy shortages.

The riots were caused by the government's decision to impose drastic austerity to save money for paying back Romania's entire debt.

Communist officials and economic planners, who used to spend much of their time praising the virtues of socialist economies, now are predicting hard times. One is T-

See BLOC, Page 8



## Protesters in New Delhi Urge Gandhi to Resign

A policemen restrained a demonstrator in New Delhi on Monday during a march organized by nine opposition parties urging the resignation of Prime Minister Rajiv Gandhi. About 1,000 demonstrators marched, also calling for independent statehood for New Delhi. Riot policemen dispersed most protesters, but held some for several hours before releasing them without charge.

## War Shifts Eritrea Sex Roles In Fighting With Rebel Force, Women Win Liberation

By Blaine Harden  
*Washington Post Service*  
**HESHKERBEB, Ethiopia** — There is a local proverb that nicely sums up what used to be the attitude of Eritrean men toward women. It says, "Just as there is no donkey with horns, so there is no woman with brains."

The culture that espoused this proverb forced most of its young girls to be circumcised at the age of 2. They were mutilated in a way that gave many of them chronic infections throughout their lives.

Women in Eritrea, which was annexed by Ethiopia in 1962, were forced into polygamous marriages, often when they were as young as 11 years old. They were not allowed to go to school, nor could they own or inherit property. Their husbands could divorce them at will. They were allowed no role in village politics. In factories in the Eritrean capital of Asmara, they usually were paid less than half the wages of men for the same work.

A proper Eritrean woman was expected to grind grain, prepare food, fetch water, gather firewood, tend the garden, clean the house, raise the children and keep quiet.

For the women's liberation movement to infiltrate and revolutionize a culture such as this — as it clearly has in the past 15 years — there had to be a powerful engine of change.

There were two: civil war and the willingness of Eritrean women to fight, kill and die in it.

See ERITREA, Page 2

## Why 3 U.S. Senators Voted Themselves Out

By Helen Dewar  
*Washington Post Service*  
**WASHINGTON** — After four years of waiting to address a full chamber of senators on a major issue, Senator Daniel J. Evans, Republican of Washington, finally got his chance. It was 1 A.M. on a Sunday, he had been allotted 10 minutes to sum up his views on aid to the Nicaraguan rebels, and hardly anyone was awake enough to listen.

For Senator Paul S. Trible Jr., Republican of Virginia, the problem was closer to home. His daughter had been born 10 days before he became a member of the House in 1977. If he ran for and won a second term in the Senate, she would be 18 before it was over.

"She would have walked through my life and I would not have been there to see it," Mr. Trible said.

Senator Lawton Chiles, Democrat of Florida, with 18 years in the Senate and seemingly inexhaustible patience and perseverance, put it more simply: "I just wasn't looking forward to another six years in the Senate. Maybe at some stage there is a little burnout."

Mr. Evans, Mr. Trible and Mr. Chiles have decided not to seek reelection for a variety of reasons that have as a common denominator a profound frustration with the Senate itself, with a life that demands all of one's time and energy without a compensating sense of achievement.

"There's a feeling of lack of accomplishment, or maybe more accurately a sense that the whole system is breaking down," Mr. Evans said.

"We offer amendments, we send out press releases and we poll our constituents to assess their approval or disapproval," Mr. Trible said. "In the process, the Senate has become difficult to lead, consensus is illusory and the whole policy-making process stands on the brink of incoherence."

The frustration begins with the money chase, the mean-spirited negativism and the general consciousness of campaigns as they are currently waged, many senators complain.

But with victory comes a new set of frustrations: budget battles, filibusters, procedural stalemates and protracted struggles that "cut ever finer and finer compromises" and end up "never resolving anything," according to Senator John C. Danforth, Republican of Missouri.

Hours, not days or sometimes even weeks, are spent haggling over issues for which the outcome is a foregone conclusion, often a temporary fix that will require further consideration at another time.

Senator David H. Pryor, Democrat of Arkansas, examined how the Senate filled its time this year and figured it wasted 15 to 25 percent of its working hours as it "circled in procedural holding patterns."

The Senate is meeting longer and

See SENATE, Page 2

**Dow Jones**  
 76.42

**The Dollar in New York**  
 DM 1.586  
 Pound 1.8745  
 Yen 122.60  
 FF 5.3675

WORLD BRIEFS

Shevardnadze Travels To Kabul as U.S. Envoy Begins Visit to Pakistan

By Celestine Bohlen
Washington Post Staff Writer
MOSCOW — The Soviet foreign minister, Eduard A. Shevardnadze, left here Monday on an unexpected visit to Kabul, fueling speculation about a new Soviet diplomatic move in the eight-year war in Afghanistan.

His visit this year coincides with a trip to Pakistan by Michael F. Armacost, the U.S. undersecretary of state for political affairs. It also comes just as another round of talks on Afghanistan, sponsored by the United Nations, are to begin next month in Geneva.

In Osaka, your preferred choice is the Royal Hotel. The Royal Hotel has been Osaka's premier hotel for more than 50 years and has been host to innumerable guests and dignitaries from Japan and the international community.



Hardy New Yorkers making their way through a winter wonderland after Central Park was blanketed by snow early on Monday.

Snow Spreads From U.S. South to New England

NEW YORK — A storm spread snow from North Carolina to New England on Monday, prompting a snow emergency in Washington and temporarily closing the Boston airport. A blast of polar air created freezing conditions in the Middle West.

'Perestroika' Kitsch Is Slow Seller at Moscow Fair

By Bill Keller
New York Times Service
MOSCOW — Boris Baryshnikov saw on television that an entrepreneur in Finland was getting rich peddling Mikhail S. Gorbachev souvenirs. Suddenly a light went on over his head — possibly the word "glasnost" in marquee lights.

The fashion for Gorbacheviana has begun belatedly after catching fire in other European capitals.

The fashion for Gorbacheviana has begun belatedly on its home ground after catching fire in other European capitals. It is only natural that such ventures should be born under the bare white birch trees of Izmailovo Park, for while the weekend art market may not be in the forefront of Soviet art, it is unquestionably a frontier of Soviet commercialism.

SENATE: Why 3 Voted Themselves Out of Their Jobs

(Continued from Page 1)
The Senate, Mr. Pryor said, has become a "slow-motion system of inefficiency and procedural imprisonment."
Even the Senate majority leader, Robert C. Byrd, Democrat of West Virginia, who yields to no one in his love of the place, acknowledges it has lost a lot of its appeal for reasons from the "demeaning money chase" of campaigns to the "god-awful budget process" that takes up so much of a senator's time.

Jackson Admits To Encounter With Narcotics

The Associated Press
DOVER, New Hampshire — The Reverend Jesse L. Jackson says he was "trapped for a moment" by drugs more than 25 years ago.
Mr. Jackson, one of seven candidates for the Democratic presidential nomination, told patients at a drug-rehabilitation center that he became dependent on a painkiller while he was hospitalized for a football injury while attending college.

ERITREA: Women's Rights

(Continued from Page 1)
initially motivated Eritrean women to press for their rights, according to Ms. Ghebremedhin. Rather, she said, it was their helplessness against Ethiopian government soldiers.
"Women are well-fed, their children are safe. They demand such things as nuclear disarmament. For us, there are more immediate concerns."
"Most of us women went into the struggle because we faced atrocities," she continued. "Women were living in caves, always afraid that the enemy would come and rape them. It killed them and their children. We agitated the men, asking them, 'Is it better for us to die in the village or go out and fight?'"

The Burberry Paris Sale. Men's trenchcoats reduced from 3,600F to 2,500F. Ladies' trenchcoats reduced from 3,400F to 2,500F. Burberrys. 8, BD MALESHERBES, 75008 PARIS. TEL. 42.66.13.01.

Visiting New York City? Gramercy Park Hotel. Distinguished 500 room hotel overlooking Gramercy Park. Excellent Restaurant. Cocktail Lounge, Piano Bar and Room Service. Multi-lingual staff. Minutes to Business Center, Sightseeing, Banquet/Meeting facilities.

28 Chilean Exiles Occupy UN Office In Rio de Janeiro. RIO DE JANEIRO — For four weeks, 28 Chilean exiles, including 10 children, have been occupying the local offices of the United Nations High Commissioner for Refugees as part of a campaign to obtain political asylum in a country other than Brazil.

Moscow Rules on Psychiatric Abuse

MOSCOW (LAT) — Apparently reacting to Western accusations of widespread abuse in the field of psychiatry, the Soviet government's top body issued a ruling Monday to protect citizens against arbitrary commitments to mental hospitals.
The action by the Presidium of the Supreme Soviet, as reported by Tass, "provides for legal guarantees against possible errors and malpractices in providing psychiatric assistance to the population."

U.S. Approves Freeing 1,149 Cubans

WASHINGTON (AP) — The Immigration and Naturalization Service said on Monday that it has approved the release of 1,149 Cubans from federal prisons. It said that a dozen who had been in prisons affected by recent riots were among 100 already set free.
"We expect to release more to close relatives or to halfway houses as space becomes available," said a spokesman. At the same time, three Justice Department panels will review cases of Cuban detainees who have been turned down for release by the immigration service.

Gandhi Party Official Killed by Sikhs

AMRITSAR, India (AP) — A senior member of Prime Minister Rajiv Gandhi's Congress (I) Party was among five persons shot and killed by Sikh militants in the northern state of Punjab, the police said Monday.
The police said responsibility for the killing of Jagat Ram, vice president of the Punjab unit of Mr. Gandhi's party, was claimed by the Khalistan Liberation Force, a militant Sikh group. In another incident, militants shot and killed three members of a Sikh family Sunday night in Behala, a village near Amritsar, the police said.

Vietnam Releases Jailed Clergymen

LONDON (AP) — Vietnam has freed a number of imprisoned clergymen, including at least three military chaplains detained since the Communist victory in 1975, Keston College reported on Monday.
The college, which monitors religious affairs in the Communist world, said those freed include five pastors and three lay members of the Evangelical Church of Vietnam. Fourteen pastors of the Evangelical Church still are known to be detained, the college said.
The chaplains were released in November 1982, apparently as part of a larger group of Roman Catholic and Buddhist chaplains, the college said. A number of other priests who were associated with the former South Vietnamese government were released in an amnesty in re-education camps in September 1982.

5 Blacks Are Killed in Natal Violence

JOHANNESBURG (Reuters) — Five more persons, including a seven-year-old girl, have been killed in the violence that has engulfed black townships around the South African city of Pietermaritzburg, raising the death toll during the Christmas and New Year holiday period to more than 60, the police said Monday.
The feud, between the leftist United Democratic Front and the Zulu-based Inkatha Movement, has spread to most of the black townships around Pietermaritzburg, capital of Natal Province, and welfare groups said the violence is out of control.
The police said a father and his seven-year-old daughter were stabbed to death when a gang attacked their house in Shange on Sunday. In the township of Mputu, a malanga, rioters set fire to a dwelling, killing a man and injuring a woman and child. In Slangspruit, a man was stabbed to death, and a fifth victim also was stabbed in the killing, the police said.



Emigration by Soviet Jews Increases

GENEVA (UPI) — A total of 8,011 Soviet Jews were allowed to emigrate in 1982, the Intergovernmental Committee for Migration said Monday.
The number was eight times the 1986 figure. Committee officials said the increase could be attributed to more liberal emigration policies put in place by the Soviet leader, Mikhail S. Gorbachev. The total was also the highest since 1981, when 9,860 Soviet Jews were permitted to go to the West.
Only 1,955 or 24.4 percent of the emigrants went directly to Israel last year, compared with large majorities in earlier years. The trend was blamed on difficulties in finding jobs and housing.

For the Record

The trial of Mordechai Vanunu, a former Israeli nuclear technician accused of treason and spying, resumed in Jerusalem on Monday behind closed doors after an interruption of several weeks. He is accused of providing a British newspaper with secret information about atomic arms. (AFP)
Prime Minister Margaret Thatcher of Britain arrived in Nairobi for a visit on Monday, her first to Africa, and received a traditional welcome by African drummers and dancers. (UPI)

TRAVEL UPDATE

French unions representing pilots and engineers in dispute with the domestic airline, Air Inter, warned Monday that they plan to call wildcat strikes. (AFP)
Storms, cold and heavy rain in Britain claimed at least six lives over the weekend. A spokesman for the London Weather Service predicted rough weather would continue through the week. (AP)
Snow fell in Switzerland, between 8 to 16 inches (20 and 40 centimeters) in the mountains of Valais Canton on Monday, a day after vacationers left the resorts disappointed by the lack of snow. (Reuters)
Technical staff at Spanish airports, including meteorologists and communications workers, went on strike Monday, causing delays and cancellations of some domestic flights. The strike was called to demand bonuses. Strikes are planned for Tuesday, Friday and Saturday. (Reuters)

British Minister Berates Israeli Officer on Arrests

JABALYA, Israeli-Occupied Gaza Strip — David Mellor, the British minister of state for foreign affairs, berated an Israeli officer Monday for ordering the arrest of Palestinian youths while he was visiting a refugee camp in the Gaza Strip.
In Jabalya, the largest of the eight refugee camps in Gaza, one resident said that his 14-year-old son was one of several youths arrested by soldiers as Mr. Mellor entered the camp.
An Israeli colonel said the youths were arrested for throwing stones but Mr. Mellor, on a fact-finding mission to Israel, angrily rejected the explanation.
He said to the officer: "Why were they arrested? I saw no stones. Why were they arrested? Colonel, I think you should look into this immediately. This is not good, not good at all."

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BRIEFS

Psychiatric Abuse

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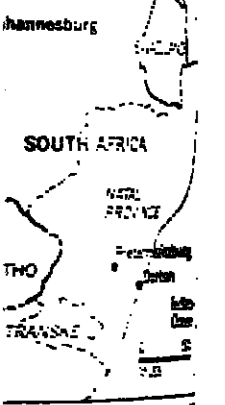
Killed by Sikhs

ember of Prime Minister... five persons shot and killed... ojab, the police said... a killing of Jagan... his party, was claimed by... ch group. In another... a Sikh family, Sander... said... the state government and... ns in Phay are... A. Siddiqui, a... Vijay Chudha, who... questioned about the killing...

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ed a number of... chaplains... reported on Monday... fairs in the... d three... n pastors of the... college said... r 1987, apparently... ust chaplains... ciated with the... an... in...

Natal Violence



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Jews Increase

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Berates Arrests

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# THERE'S MORE TO OLYMPUS



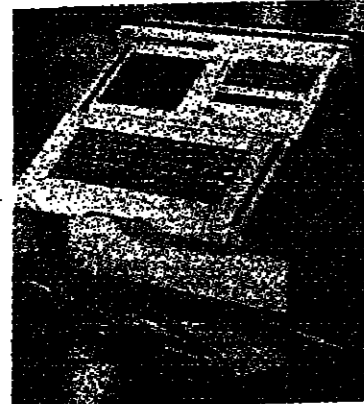
More industrial fiberscopes are manufactured by Olympus than by any other company. And used more widely throughout the world from conservation to Concorde. Industrial fiberscopes play a decisive role in company economics, from the positive effect on safety standards and maintenance programmes to ensuring consistent production quality. Procedures which, a few years ago, were highly complex but not always accurate can nowadays be carried out more precisely and efficiently by one man and a fiberscope.

But there's more: No other flexible medical endoscopes are used more widely for diag-

nostics and therapy throughout the world, than those manufactured by Olympus. ... and more: From primary school classrooms to ultra-modern research institutes, no other microscopes can be found more often worldwide than those manufactured by Olympus. ... and more: Olympus nowadays ranks among the leading camera suppliers, both in Europe and throughout the world. And in the category of new intelligent compact 35 mm viewfinder cameras, the weatherproof Olympus AF-1 is amongst the best-selling in Europe.

There is no question: There's more to Olympus. What can you expect in future from a company which creates and uses the latest advances in technology to do more for mankind? If you would like to know, we will send you our 1987 Annual Report. Olympus Optical Co. (Europe) GmbH., Wendenstrasse 14-16, 2000 Hamburg 1, W.-Germany.

**OLYMPUS**  
SCIENCE FOR LIFE



Small picture: Industrial Video Analyzer VA-1. Large picture: Industrial endoscope in use.

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# Bonn Diplomat Is Slain In Paris and Kurdish Tract Is Found on Body

By Youssef K. Ibrahim

New York Times Service

PARIS — A West German diplomat was shot and killed Monday in a possible terrorist assassination.

Police sources said a West German consular affairs attaché, Siegfried Wielsputz, 31, was shot near a footbridge by the Seine River early Monday by one or more assailants.

A leaflet decrying West German mistreatment of Kurds living in Germany was found in his jacket, but whether it had been left on the body by the killers was not immediately clear.

The French police leveled no specific charges Monday. "We are still in the fog," one police official said. The West German Embassy had no comment.

Kurdish sources in Europe say that 300,000 to 400,000 Kurds live and work in West Germany, the largest such concentration in Western Europe.

As a result, West Germany has become a center of Kurdish political activism.

Many Kurdish groups have clashed with each other, and at least five murders of Kurds in West Germany in the past few years have been linked to this political struggle.

Last summer, the West German police began a campaign to control the situation, rounding up several Kurdish activists and confiscating sums of money in excess of \$400,000. The front has since organized several protests at West German airline offices, consulates and news organizations throughout Europe.

Kurdish sources in Paris dismissed the notion that the PKK might be implicated in the murder of the West German diplomat, saying that such suggestions were meant to mislead the police.

"No Kurd of any organization has ever attacked a Western diplomat," said Siyamen Othman, an editor of a Kurdish newsletter in Paris. "We do not think this has anything to do with Kurds. It seems to us a bizarre incident."

Spokesmen for the front denied any responsibility and denounced the murder as a "cowardly act."

Several Kurdish sources said the PKK was an "isolated" movement within the larger Kurdish community of activists, but that even so, it would not commit acts such as the Palme killing or the murder of a West German diplomat, which clearly harmed the Kurds' broader interests.

The West German victim was found bleeding to death by a footbridge near the Avenue de New York along the Seine. According to the police, he told two men who found him: "They shot at me."



**MASSIVE FUEL SPILL** — A crumpled hull, lower left, is all that remains of a fuel tank that collapsed and spilled a million gallons of diesel oil into the Monongahela River near Pittsburgh. The 20-mile-long oil slick has threatened drinking water for 750,000 people and halted shipping on the river. A spokesman for Ashland Oil Co. said the cleanup could take weeks.

# Lily Laskine, French Harpist, Is Dead

The Associated Press

PARIS — Lily Laskine, 94, the French harpist, has died of natural causes in a Paris nursing home.

Miss Laskine, who performed in public well into her 80s, was credited with popularizing the harp and reviving many musical scores written for it by such composers as Handel and Saint-Saëns.

She studied at the Paris Conservatory and gave her first public concert at age 12. Four years later, she became the first woman harpist at the Paris Opera.

Miss Laskine was best known for her interpretations of Mozart and in 1937, at the Salzburg Music Festival, she gave a landmark performance of his concerto for flute and harp. She recorded it many times, along with works by Ravel and Debussy.

She taught the harp at the Paris Conservatory from 1948 to 1958.

and had many musical disciples in France and abroad.

**Gaston Eyskens, 82, Former Belgian Leader**

BRUSSELS (Reuters)—Gaston Eyskens, 82, a former Belgian prime minister, died Sunday. He led five governments from 1949 to 1972 and was prime minister when his country granted independence to the Congo in 1960.

Renowned as a shrewd politician and economist, he was elected prime minister in 1949 and then again in 1958, but resigned in the face of industrial strife. Two days later he accepted King Baudouin's call to form a new government.

Widespread violence in the Congo following independence led critics to complain that Mr. Eyskens had thrust independence on the country before it was ready. Fall-out from this and domestic problems helped keep him on the political sidelines until 1968 when he was again elected prime minister.

In 1972, during his fifth term of office, he hosted the ceremony in which Britain, Denmark, Norway and Ireland signed the treaty of accession to the European Community.

**Clementine Hunter, Louisiana Artist**

NATCHITOCHEs, Louisiana (Reuters) — Clementine Hunter, 101, a self-taught Louisiana artist

who won international acclaim for her bright, primitive paintings of plantation life, died Saturday.

She began painting in her mid-60s after working in the cotton fields, laundries and kitchens of Louisiana plantations.

**Bill Gibb, 44, Fashion Designer**

LONDON (AP)—Bill Gibb, 44, a Scottish fashion designer whose clients included Elizabeth Taylor and Joan Collins, died in London on Saturday.

His creations were worn by Princess Anne and Princess Alexandra, Ann-Margret, Bianca Jagger and the former Empress Farah of Iran.

One of his dresses, made for the model Twiggy, is in the costume collection of the Victoria and Albert Museum in London.

**Other Deaths:**

**Rolf Presthus, 51, the chairman of the Conservative Party in Norway and finance minister from 1981 to 1986, Friday of a cerebral hemorrhage in Oslo.**

**Merle Evans, 96, a former band-leader of the Ringling Bros. and Barnum & Bailey Circus, whose career with the circus spanned half a century and about 22,000 performances, Thursday in Sarasota, Florida.**

**William Cagney, 82, former movie producer and brother of James**

# Reagan Plans to Travel Abroad to Sell Policies

By Lou Cannon

Washington Post Service

PALM SPRINGS, California — President Ronald Reagan plans to be a global traveling salesman in the first six months of 1988 as he makes the case to allies in the Americas and Western Europe for U.S. policies on arms control, the economy and Central America, according to administration officials.

An official who outlined the president's plans for the first six months of 1988 on condition he not be identified said there was "a live possibility" that Mr. Reagan would fly to Europe in the spring six weeks before his summit meeting in Moscow with the Soviet leader, Mikhail S. Gorbachev.

The European trip would focus on issues concerning the North Atlantic Treaty Organization, with Mr. Reagan trying to allay concerns that the new U.S.-Soviet treaty banning medium- and shorter-range nuclear missiles will diminish the U.S. commitment to defending Western Europe.

[White House officials said Monday that Mr. Reagan was expected to visit the Soviet Union, Canada and probably Mexico during his final year in office but a trip to Western Europe is unlikely, Reuters reported from Washington.

# U.S. News Shows Seek Fresh Viewers Abroad

By Jay Sharbutt

Los Angeles Times Service

NEW YORK — A potential audience of affluent, well-educated foreign viewers and the easing of foreign restrictions on broadcasting are encouraging American networks to begin sending their news programs abroad by satellite.

Although Cable News Network has been in it since 1982, the Big Three of American networks are just now getting involved. CBS and ABC newscasts, heretofore aired overseas only on the Armed Forces Network, began beaming abroad last year — ABC in Japan and CBS in Japan, France, Switzerland, Monaco and much of Italy.

Although officials at each network say these operations are not profitable, they believe that they have great potential for that. "The MacNeil-Lehrer News Hour," produced by public television, has signed for a year's test run with Japan's NHK broadcasting system.

# Rich Audiences and Fewer Curbs Are Luring the Big 3 Networks

NHK airs ABC's "World News Tonight" and has broadcast excerpts of Cable News Network programs since 1982.

CNN ventured into Europe in 1985 and says that it now serves 61 countries, including 113 hotels in Western Europe. Richard C. Wald, a senior vice president of ABC News, says that there is a broad cut of English-speaking population in the business and professional world outside the United States, and that group, while not large, is "demographically desirable."

Foreign broadcasters and advertisers alike, he says, want them as viewers, a point that gets agreement from Sam Roberts, a former CBS News foreign editor who now runs CBS's efforts to send Dan Rather & Co. broadcasts abroad. In France, Mr. Roberts says, Mr. Rather "is getting a very upscale audience, people who do business with the United States, plus travelers, obviously."

That foreign broadcasters now are trying to import these 22-minute American newscasts is made possible by the easing of government control over broadcasters overseas, he says. There is also the matter of language differences. But that is not proving a major problem, network executives say.

According to Mr. Roberts, "the astonishing thing to us" is a finding that a major segment of the French audience watching the "CBS Evening News" consists of "people who want to improve their English." "World News Tonight" retains its American commercials, although ABC is considering proposals to let them be replaced in Japan with local advertising. The "CBS Evening News" is sponsored in Europe and Japan with different commercials, many of which are aimed at the international business market. The "MacNeil-Lehrer" program, aired in the United States without commercials, is being broadcast the same way in Japan. Mr. Wald of ABC believes that some day one or all of the American networks could produce a video cousin of the International Herald Tribune.

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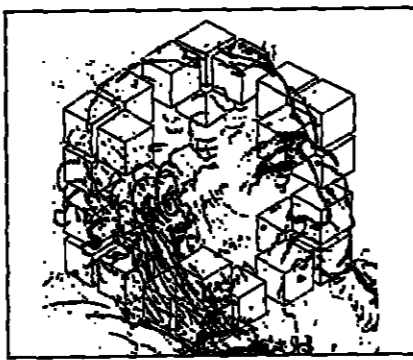
# Ill-Fated Ferry Back in Port

Reuters

PORT ELIZABETH, South Africa — The ferry Herald of Free Enterprise, which went adrift while being taken to a Taiwanese scrapyard, was towed Saturday into this South African port, state television said. The ferry capsized off Belgium in March with the loss of 189 lives.

# European Telecom Organizations ask you: Complicated business communication or Teletex?

"For 36 months I have had six mouths to feed and all you gave me were 50 dacats."



Delinquency notice from Leonardo da Vinci to Duke Ludovico Sforza, 1483

Leonardo was ahead of his time in many things. However he still had to worry about his daily business and the inadequacy of business correspondence, which in his time, was very complicated and time-consuming. Many people have his problems even today.

In order to change this, some European and Overseas Telecom Organizations have joined forces to present Teletex. Today Teletex is a young and very efficient worldwide communication service. It makes desk-to-desk direct electronic correspondence a reality. With the same quality and text layout as in an advanced word processing system and in the document's original format, Teletex operates automatically around the clock, crossing all frontiers and time zones.

Teletex is an excellent solution for your formal business correspondence. It provides you with management support and efficient problem-solving facilities, because it can easily be added to your office equipment for your communications with the outside world.

International standardization and the intelligence inherent within the service concept guarantees compatibility for all Teletex-capable equipment. This includes all kinds of text and word processing systems, personal computers as well as other terminals and machines. On top of that you can already reach 1.7 million Telex subscribers all over the world.

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**TELETEX**  
the electronic business correspondence

Deutsche Bundespost

# Living Abroad U.S., 4 Nations Likely to Sign Tax Pact

By Sherry Buchanan

International Herald Tribune

Denmark, Finland, Norway, Sweden and the United States are expected to sign a multilateral tax convention this month that would allow the spontaneous exchange of tax information among signatory governments.

Drafted by the Organization for Economic Cooperation and Development and approved by the group in October, the Multilateral Convention on Mutual Administrative Assistance in Tax Matters must be signed by five member countries and ratified by their legislatures to become law.

All OECD member countries can sign the convention and benefit from it, but Denmark, Finland, Norway, Sweden and the United States are the first five expected to do so.

Under the treaty, tax authorities in the signatory countries would be allowed to "spontaneously" exchange tax information even if not requested to do so.

The idea is to increase cooperation among governments to fight avoidance and evasion of taxes. It is the first multilateral convention of its kind.

Some international tax advisers in London, New York and Paris support it. Others contend that it simply would duplicate exchange-of-information provisions already in force in bilateral tax treaties. They add that it could lead to harassment of honest taxpayers.

"Many people in Europe feel that the basic purpose of the new multilateral treaty is to get everybody in the world into one master computer, like an Interpol for fiscal purposes," said Marshall J. Langer, an international tax advisor in Neuchâtel, Switzerland.

"Taxpayer information which should be kept secret by one tax authority will no longer be secret because it will be available to all other countries," he added.

The U.S. Treasury Department is expected to sign the treaty, with reservations, as are the four other countries.

But not all tax experts back it. "I don't see the need for it," said Stephanie Simonard, a tax partner with the international accounting firm of Peat, Marwick, Mitchell & Co. in Paris. "We already have bilateral tax treaties."

"The risk of a multilateral treaty which covers all taxes," she added, "would be that honest taxpayers end up on the receiving end of all kinds of problems for relatively minor amounts."

She was referring to the most recent bilateral tax treaties. Of 36 such treaties that the United States has signed with other governments, 12 contain spontaneous exchange-of-information provisions and were signed in the past seven years.

"The 1980 U.S.-U.K. bilateral tax treaty allows the spontaneous exchange of information," said Elizabeth A. Nicholson, a partner with the international accounting firm of Deloitte, Haskins & Sells in London. "I have noticed it being increasingly used by the Inland Revenue over the last 18 months."

The exchange of tax information has increased since the establishment six months ago by the Inland Revenue Service, the British tax authority, of a unit concentrating on the Big Bang, or deregulation of financial markets, in London's City.

"This unit was set up to look at dual contracts," among other tax situations, in the City, said Rick Helsby, a partner responsible for Inland Revenue investigations at Deloitte Haskins in London.

A dual contract of employment splits an executive's compensation according to services performed in Britain, and therefore subject to British taxes, and services performed abroad, and thus not subject to British taxes.

Another unit is investigating U.S. military personnel, who have a special status exempting them from paying British taxes.

the most austere since falling oil prices began to undermine the economy in 1982. The budget introduced a number of measures to increase revenues at a time of stagnant oil earnings but there was no mention then of the income tax.

The country relies heavily on expatriate manual laborers and its major businesses and 11 commercial banks have depended on Western managers to fill many key positions.

SAUDI ARABIA — Saudi Arabia said Monday that, after a 12-year suspension, it would impose a personal income tax on foreigners working in the kingdom's large expatriate community.

A report in the official business newspaper Saudi Gazette said the tax would be levied at rates in effect before its abolition, in 1975.

This means that a foreigner earning more than 66,000 riyals (\$17,600) a year would be taxed at a top rate of 30 percent. The lowest rate is 5 percent for persons earning from 6,000 to 16,000 riyals.

One American executive at a Saudi company said: "This could mean a mass exodus of expats. There's not much sense in me hanging around."

The tax is expected to take effect on Jan. 21.

Saudi Arabia's 1988 budget was announced Wednesday. It is

# Saudis to Tax Income of Foreign Workers

Reuters

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# Congressional Pique vs. Public Duty

An Angry Legislator Slashes at Defense Agency Funds

By Stephen Engelberg

New York Times Service

WASHINGTON — Buried deep in the catchall spending bill passed by Congress are two pointed swipes at the Defense Intelligence Agency. One virtually invites the defense secretary to slash the agency's personnel budget; the other takes away two aircraft used at embassies around the world to fly ambassadors, military attaches and visitors.

Behind these two measures lies a tale that has little to do with weighty matters of state or national security. Congressional officials see it as a story of one lawmaker's wounded pride, and an example of how a lawmaker's animosities can intersect with his public duties.

The legislation, according to congressional and administration officials, is the handiwork of Representative Charles Wilson, Democrat of Texas and member of the

House Appropriations Committee and Intelligence Committee, whose female traveling companion was denied permission to fly aboard a Defense Intelligence Agency plane in Pakistan nearly two years ago.

Rules are rules, the Pentagon declared at the time. Since the woman, Annelise Ilshenko, a lobbyist and former Miss USA-World, was neither a congressional staff member nor Mr. Wilson's wife, she could not make the trip, even if the request came from a stalwart supporter of the military budget.

Mr. Wilson maintained that his legislative efforts were just part of general budget-cutting. But privately he has told colleagues that he was trying to put pressure on senior Pentagon officials to change the rules on air travel.

"You run into situations like this when you're single," he said in an interview. "These are not rules,

these are not regulations, these are customs."

Mr. Wilson, 54, termed himself a "nonvindictive person," but he acknowledged that his efforts could be interpreted otherwise.

"It just can't help but look like this kind of spoiled congressman with a bloated sense of self-importance trying to get back at someone for not flying his girlfriend around," he said in declining to provide a more detailed explanation for the legislation on the Defense Intelligence Agency.

The target of Mr. Wilson's ire, according to congressional officials, appears to be William H. Taft 4th, the No. 2 official in the Pentagon. According to the officials, when the legislation was pending that would have exempted part of the intelligence agency from planned personnel cuts, Mr. Wilson called Mr. Taft to ask whether



Charles Wilson

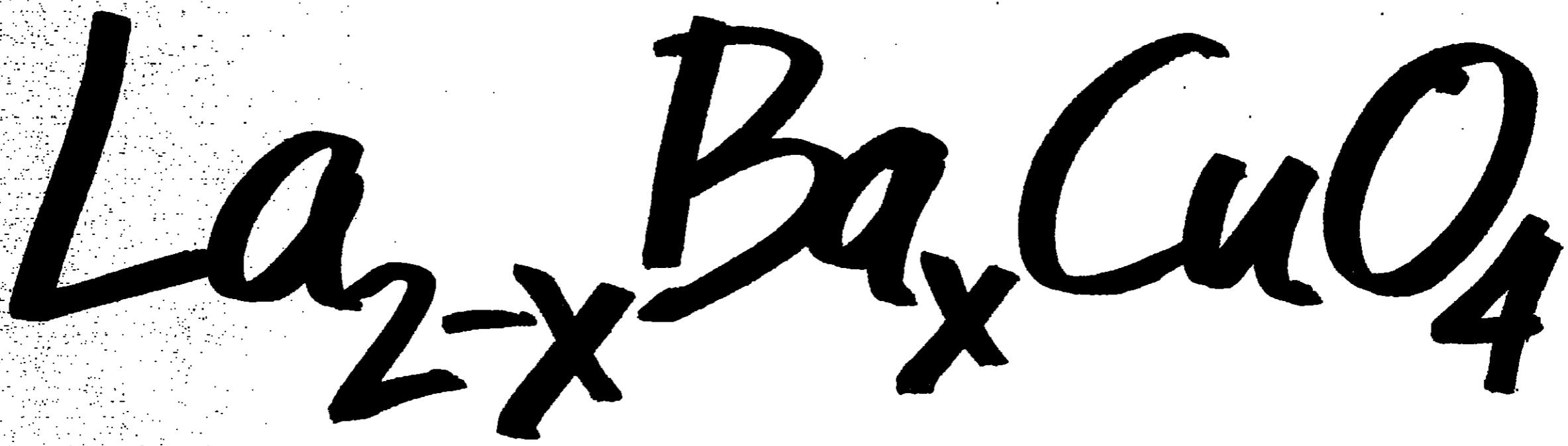
the policy on air travel remained the same. He was told it did, and shortly afterward the exemption was gone, replaced by a measure that told the defense secretary to give the agency no special treatment.

Mr. Wilson said he never suggested any connection between his inquiry and the legislation. "I have never threatened anyone," he said. "I never said, 'If you don't do this, I will do this.'"

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nos Seek  
Abroad  
Lower Curbs  
Networks

IBM airs ABC's "World News Tonight" and has broken a long-standing ban on the sale of Cable News Network's (CNN) since 1982. IBM ventured into Europe in 1987 and says that it now owns a 10% stake in the network, including 113 local stations. Edward C. Wald, a senior vice president of ABC News, says that the network is a broad cut of the population in the United States, and it is not large, but it is desirable. Wald says that the network is a point that goes from San Francisco to London. News foreign editor John H. Co. broadcasts about France, Mr. Wald says, "is getting a very nice audience, people who do not live in the United States plus those at foreign broadcast stations trying to import these 20-minute American newscasts is one thing, but the casting of programs, he says, is also the matter of differences. But that is not a major problem, most news executives say. According to Mr. Wald, "the major segment of the audience watching the 'World News Tonight' consists of people who want to improve their knowledge of the world. IBM is considering whether they be replaced by local advertising. CBS Evening News, which is aimed at the business market, is being broadcast in the United States and commercials, is being broadcast in Japan. Wald of ABC believes that day one of the new networks would produce a significant increase in the revenue of the International Business Machines Corp.



It started in an IBM lab in Zurich, Switzerland.  
Who knows where it will stop?

Simou Will Run Again

OSIA — President Simou, 55, will seek his fifth consecutive term in the presidential election scheduled for Feb. 14. The government claims that Simou has won a landslide victory in the recent election.

x Pact

was referring to the bilateral tax treaty (BT) that the United States signed with West Germany. The treaty provides for the exchange of information and was signed in 1987.



Charles Wilson

In January 1986, two IBM scientists, J. Georg Bednorz and K. Alex Müller, ended a long quest. They discovered a whole new class of superconducting materials, represented by the formula above. Their breakthrough sparked enormous activity in an area of research most scientists had abandoned as hopeless. Today, researchers at IBM, and throughout the world, are expanding on what these two started. And although no one can be sure where superconductor research will lead, there is potential for advances in everything from computers to medicine. In October 1987, just 21 months after their breakthrough, Bednorz and Müller were chosen to receive the Nobel Prize in Physics. Naturally, we're proud of these two scientists, just as we are of the two IBM scientists who won the 1986 Nobel Prize in Physics. Providing a climate that fosters achievements like these has always been important at IBM. After all, advances of this magnitude do more than contribute to a company. They contribute to the world.



Page 5  
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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Year of Bravery

On the human rights calendar, 1987 belonged to the brave, especially those who risked their skins monitoring governments...

A Glimmer of Hope

The Reagan-Gorbachev summit stirred a set of cautious expectations for progress in various regional disputes, and nowhere more than in the Gulf region...

A Model of Cooperation

While the new Mexican plan is not a sweeping solution for all the Latin debts, it is a highly useful and imaginative way to deal with some of them...

Other Comment

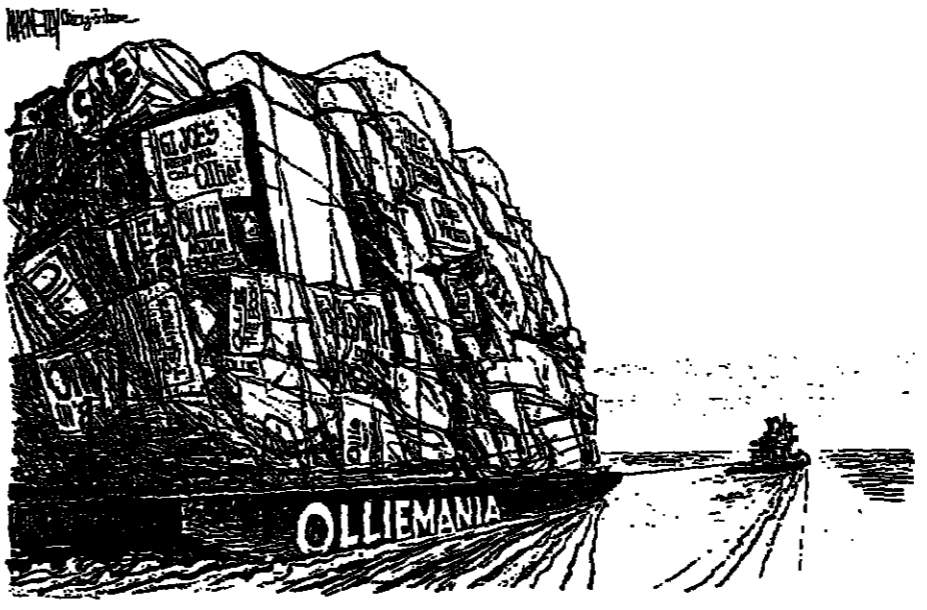
Anger Israel Must Address: It would be an exaggeration to call the violence in the Gaza Strip a popular uprising... Maybe Mike Would Run: The moment [has] arrived to examine Mikhail Gorbachev's suitability as a candidate...

Back to Conservatism for the Republicans

By William Pfaff

PARIS—The Reagan administration enters its final year a convert, at last, to conservatism. True conservatism, as the expression goes...

Reagan administration expanded it. It challenged the constitutional division of public powers and tried to establish a conception of unrestrained presidential power in foreign affairs...



The Powers Of War Are Presidential

By Tom Wicker

NEW YORK—A growing international determination to stop a regional war is reflected in the Soviet Union's abandonment of its opposition to sanctions against Iran...

South Korea: The Democratic Outcome Stands

By Stephen J. Solarz

WASHINGTON—A recent news story reported that student demonstrators in Kwangju had attacked American officials like me for accepting the results of the presidential election in South Korea...

The writer, a New York Democrat who has worked with opposition leaders in South Korea, chairs the Asian and Pacific Affairs Subcommittee of the Foreign Affairs Committee of the U.S. House of Representatives.

Roh Tae Woo's victory margin of two million votes was simply too large to support the contention that the opposition had been robbed.

agrees that the election saw a certain amount of vote buying and snatching of ballot boxes, and an unwholesome degree of voter intimidation...

Kim Dae Jung has claimed, that if the opposition had united, the government would not have permitted it to win. But this we will never know, and we can hardly condemn the government for actions that it did not take...

For Koreans, Another Generation Gap

REPRESENTATIVE Solarz notes the rise of anti-American sentiments among some of South Korea's younger generation, a phenomenon he attributes to a misunderstanding of his and other Americans' support for democratization...

disruptions in the city of Kwangju in 1980. The United States is closely associated in this segment of the public mind with the highly visible and generally distrusted Korean military...

Democracy Changes the Relationship

SOUTH Korea's economic success is to some degree a result of the past ability of governments to insulate their economic policy makers from popular pressures...

Rather than inherently negative feelings about the United States, recent expressions of concern about U.S. influence reflect a new assertiveness, inside and outside the government...

100, 75 AND 50 YEARS AGO

1888: Ireland's Turn?

LONDON—The year 1888 is the centenary, the bicentenary and the centenary of events closely associated with the progress of British liberty...

1913: Russian Imports

ST. PETERSBURG—The Ministry of Commerce and Industry has issued an announcement that the minimum tariff will continue to be applied to goods imported into Russia...

1938: Palestine Study

LONDON—The new British Commission which will be sent to Palestine some time this year will have "full liberty" to recommend modifications of the partition plan...

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1938-1982 KATHARINE GRAHAM, WILLIAM S. FALEY, ARTHUR OCESS SULZBERGER, Co-Chairman

Robins, MARY, and other vertical advertisements on the right margin.

OPINION

The Helsinki Watchers Aren't Forgotten

By Anthony Lewis

BOSTON — After the Helsinki conference of 1975 reached its accord on human rights, a handful of brave Russians formed a group to report on Soviet compliance. They paid dearly for their courage. The organizers of the Moscow Helsinki Watch, as they called it, were all eventually imprisoned.

work of treaties and agreements of which the Helsinki accord is one example. Those agreements make it harder for governments to make the traditional claim that anyone who complains about abuses is interfering in their internal affairs.

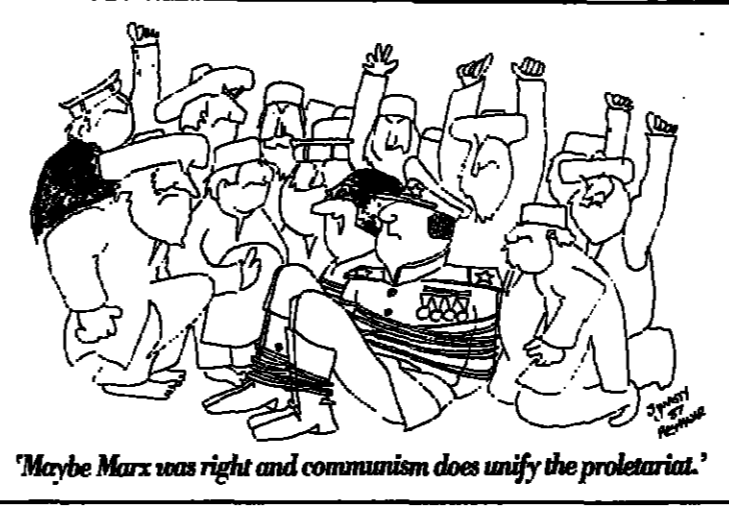
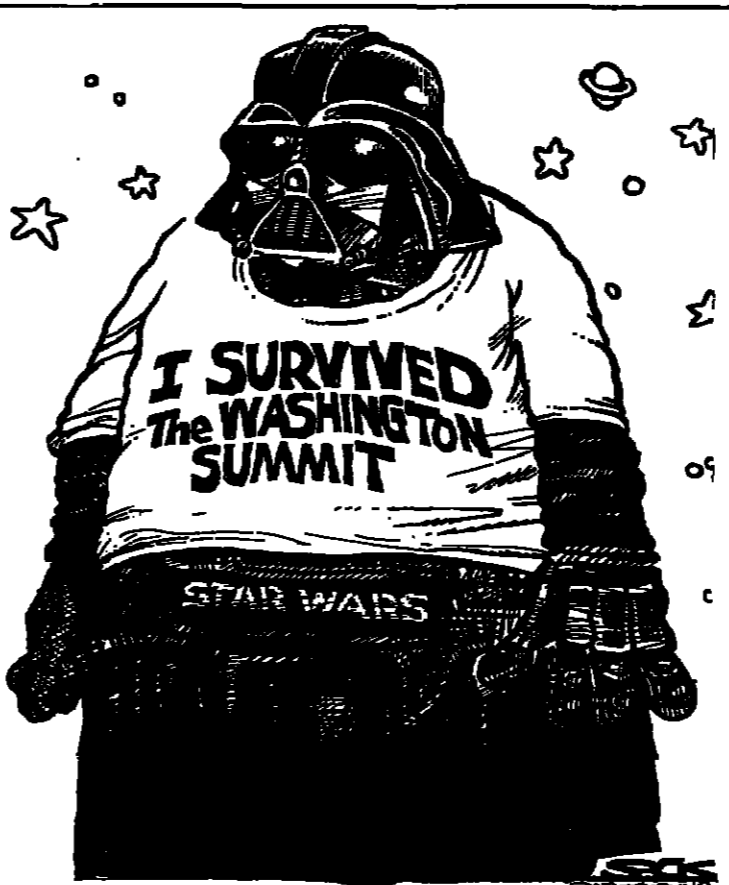
when Israeli forces killed Palestinians protesting in the occupied territories. There is still a certain reluctance in the administration to call governments to account when it has a political stake in them.

Tehran Has a Grisly Human Rights Record

THE Iranian government's record of abuse has earned it six consecutive condemnations by the United Nations Human Rights Commission for some of the most extreme human rights violations in modern history.

sources to investigate Iranian prisons and torture chambers has been rejected. When called upon to account for its practices, the Iranian government's only response has been scorn and ridicule.

There has been an estimated 70,000 political executions and 140,000 imprisonments. Schools, office buildings and even stables have been used as prisons to contain the overload.



'Maybe Marx was right and communism does unify the proletariat.'

For Geographers in Miami, The Pacific Is Out of Sight

By Lee Schwartz

WASHINGTON — One of the less publicized acts of the recently defunct Congress was to pass a bill sponsored by Senator Bill Bradley proclaiming a "National Geography Awareness Week."

What is more distressing than the mere ignorance of the locations of states, rivers, capital cities and other toponymic geographical features is the fact that the increasing geographical ignorance contributes to an unsound and ethnocentric world view.

MEANWHILE

locate the Pacific Ocean on a world map. A recent survey of 5,000 high school seniors in eight major cities revealed that 25 percent of the students in Dallas could not name the country that borders the United States on the south; 50 percent of those in Hartford, Connecticut, were unable to name three countries in Africa; 45 percent of those in Baltimore could not shade in the area representing the United States on a map.

There are few problems in the world that are not in some way geographical — that is, they have a spatial component. This is one of two dimensions, the other being time, within which physical and human activities forge the systems of man-land relations.

LETTERS TO THE EDITOR

For an Independent Cambodia

In their news articles, some French, American and other foreign journalists persist in calling the Coalition Government of Democratic Kampuchea (CGDK) "the rebels," or "the opposition in exile" while they call the puppet pro-Vietnamese government in Phnom Penh "the government of Cambodia" or "Cambodia."

communications, cut electricity, telephone and water lines, and prevent the movement of equipment... Mr. Awad also endorses armed sedition of other Palestinian Arabs against Israel.

There's No Peace to Revisit

In the opinion column "More Than Unrest in Gaza, and No Solution in Sight" (Dec. 21), Hirsch Goodman, defense correspondent of the Jerusalem Post, prophesies that "things will probably get a lot worse before they get better."

What About Herblock's Cartoons?

Regarding "A Cartoonist Sounds Off: What About Competition in Quality and Service?" (Dec. 30): Herbert Block is right about the greed and self-satisfaction that cast doubt on America's future.

For an Oil Import Tax

As a former chairman of the California Public Utilities Commission, I support the idea of an oil import tax. Had such a tax been imposed early in the Carter administration, the oil areas of Texas and Oklahoma would not now be depressed, and alternate energy programs would be flourishing instead of shut down.

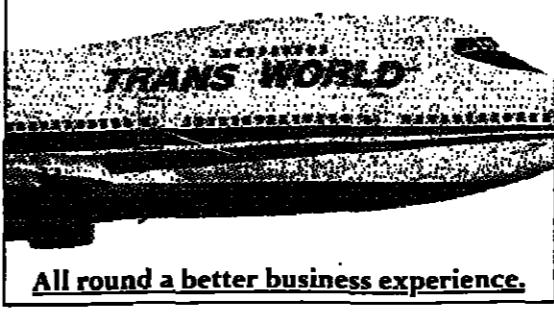
From a Disarming Reader

In all my 70 years, I have never read a column that has given me more pleasure and laughter than "A Boy's Patience Has Only Escalated One Man's Yule-Time Arms Race" (Meanwhile, Dec. 23), by Ferdinand Prozman.

The widest business seats give you the maximum head space.



The comfort rating of an airliner isn't merely a function of how kind the seats are to your body. Equally important to your comfort, is how uncrowded your mind feels. It's hard to devote proper attention to a business report when you're jostling with the person beside you for control of the armrest.



All round a better business experience.

Not Yet the Palestinian Gandhi

Regarding "Nonviolence Is Welcome as a Palestinian Weapon" (Dec. 1) by Anthony Lewis: A controversy has developed over Israel's move to expel Muftarak Awad, now delayed. Mr. Lewis's characterization of this Palestinian Arab as a pacifist and advocate of nonviolence in the tradition of the Reverend Martin Luther King Jr. represents a misreading of Mr. Awad, even as Mr. Awad represents himself.

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ARTS / LEISURE

A New Boom In Latin Books

By Edwin McDowell  
New York Times Service

NEW YORK — A half-dozen years ago, so many American publishers were issuing fiction by Latin American authors that critics dubbed the period the "Latin boom." The boom subsided, but now it is returning stronger than ever — not just with more titles, but also with books that are already critical or commercial successes in Latin America and Europe.

The rebirth will be most noticeable on or about Feb. 1, the publication date of Jorge Amado's "Showdown" — a worldwide best seller for which Bantam paid \$250,000 two years ago. Avon Books plans to issue 13 of his novels, beginning in March with the first English-language publication of "Captains of the Sands," a book written 50 years ago.

Another Latin author who will be prominent here in 1988 is Gabriel Garcia Marquez, the winner of the 1982 Nobel Prize in Literature. His new novel, "Love in the Time of Cholera," also a worldwide best seller, is to be published by Alfred A. Knopf on April 29, with a first printing of 100,000 copies.

However, unlike Garcia Marquez's "One Hundred Years of Solitude" (1970), which has sold more than a million copies in its Avon paperback edition, "Cholera" is a much more conventional novel. "It is a book that will stand the critics on their heads," said a specialist in Latin American literature at New York University, Alexander Coleman. "But it reads like Balzac; there is no magic realism here." Magic realism is the term used to describe the Latin literary penchant for intertwining fact and fantasy, reality and illusion, legend and superstition.

"What I'm seeing is a trend to-

ward a more traditional narrative line, emphasizing storytelling rather than the stylistic artistry that drew attention to Latin American literature," said the director of the literature program for the Americas Society, Lori Carlson.

Latin authors are still using the novel to discuss the region's social, economic and political problems, and publishers apparently hope that the widespread discussion of those problems in the American press will translate into the sale of books by Latin authors.

New Directions, a distinguished small press in New York, has published the poetry of Octavio Paz of Mexico for more than 40 years. Four Walls Eight Windows, a small New York press, will soon publish "Contemporary Fiction From Central America," edited by Rosario Santos, a Bolivian author and editor.

In addition to Jorge Amado, at least four other Brazilian authors are to be represented on the lists of American publishers in 1988. Next month, Harmony Books is to publish "The Strange Nation of Rafael Mendes" by Mosey Sclar, a public-health physician in Brazil; another of his novels, "The Gods of Raquel," was just published by Ballantine Books. Aventura has scheduled two Brazilian novels for next spring: "Mule" by Darcy Ribeiro and "Sempre Viva" by Antonio Callado. Next fall, Harper & Row is to publish "Long Live the Brazilian People," a novel by Joao Ubaldo Ribeiro.

Several authors from Argentina are also to be represented. In April, Pantheon Books is to publish "The Peron Novel" by Tomas Eloy Martinez, and it is to publish a trade paperback edition of "All Fires the Fire" by Julio Cortazar, a novel published in English in 1973. In June, North Point Press is to pub-



Jorge Amado: 13 of his novels to be published in the United States.

lish "Open Door," translations of 32 stories by Luisa Valenzuela. And Knopf has acquired, but not yet set a publication date for, "The Dogs of Paradise," a novel by Abel Posse, who is also Argentine.

Next May, Weidenfeld & Nicolson is to publish "Curfew" by the Chilean author, José Donoso, a novel praised by Jacobo Timerman in his recent non-fiction book about Chile. That same month, Pantheon is to publish "Century of the Wind," the third novel in a trilogy by Eduardo Galeano of Uruguay.

By year's end, Farrar, Straus & Giroux plans to publish "Storyteller" by Mario Vargas Llosa, the Peruvian novelist, and "Christopher Unborn" by Carlos Fuentes of Mexico. The publication date is pending for another Fuentes book, "Constancia and Other Stories for Virgins."

It should not be surprising that exiled authors are on the publishers' lists. Avon, for example, recently published "Biting Silence," a

novel about military repression by Arturo Von Vacano, an exile from Bolivia. Next March, Viking Penguin plans simultaneous hard-cover and paperback editions of "Last Waltz In Santiago and Other Poems of Exile and Disappearance" by Ariel Dorfman, a Chilean exile, while Penguin is also to reprint Dorfman's novel "The Last Song of Manuel Sendero." Next fall Knopf is to publish "Eva Luna," a novel by Isabel Allende, another Chilean exile.

But the literary exile who will be most in evidence in 1988 is Reinaldo Arenas, who arrived in the United States on the Mariel boatlift from Cuba. Avon recently published his novel "The Ill-Fated Persecutions of Fray Servando," and next June Penguin is to reprint another of his novels, "Singing From the Well." Meanwhile, Grove Press has signed up three books by Arenas — two novellas that it expects to publish next fall and a novel, "The Doorman," scheduled for 1989.

The Low Cost of Costa Dresses

By Bernadine Morris  
New York Times Service

IN Paris, it's Christian Lacroix, in New York, Arnold Scaasi and in Dallas, Victor Costa. Victor Costa?

In the fashion world, Costa is recognized, along with Lacroix and Scaasi, as a contributor to the vogue for flamboyant, super-feminine dresses that bare the shoulders, hug the waistline and billow and swirl over the hips.

As this look has dominated the fashion scene, Costa has doubled his retail sales volume to \$30 million a year.

Women all over the United States, plus some in London and such places as Kuwait, are snapping up Costa's clothes, most of which are made in Dallas.

"Everybody I know wears Victor Costa," said Peggy Jacobs, 27, the director of an architectural design company in New York. "His dresses are great for people like me who can't afford fancy ball gowns. You don't feel you have to bleed to death to buy something that looks great."

"See this little dress here?" said Sylvia Posner, a saleswoman at the Victor Costa boutique at Bergdorf Goodman, pulling a short, green velvet strapless dress off the rack. "Everybody who tries it on looks sensational in it. We've sold 400."

The dress cost \$260, typical for a Costa style. Many of his styles sell for \$200 to \$400, though some go to \$800. Lacroix and Scaasi dresses can cost 10 times as much. A few feet away, it is difficult to tell the difference.

Costa bought some ribbon-embroidered lace in Paris for \$200 a yard and used it to make a strapless sheath. He bought some American lace for about \$4 a yard, had it embroidered in the same scroll pattern, and made another dress. Side by side on mannequins in his factory, it was impossible to tell which was the more expensive dress.

"The dresses sell to girls as young as 15 years old, as well as to sophisticated women who go out every night and need a lot of clothes," said Dawn Mello, president of Bergdorf Goodman.

Ivana Trump, who has ordered 19 dresses from the Costa resort collection, told the designer she was confident enough to wear his styles as well as those of French couturiers. Evelyn Lauder, Betsy Bloomingdale, Joaquin Rivera, Brooke Shields and Joan Collins have also worn his dresses. Costa sent them worn on television shows like "Dynasty" and "Falcon Crest" as well as in movies — most recently "Broadcast News" and "Down and Out in Beverly Hills."

It seems that Costa has been in training all his life for the kind of clothes he makes today. As a teen-ager in Houston, he made prom dresses for his classmates. The clothes girls



Costa designs: bustle dress in face over yellow taffeta (above), and a lampshade cocktail dress in cotton satin (right).



wanted in the 1950s were not too different from what is now fashionable.

After high school, he attended the school run by the Chambre Syndicale, the fashion trade association in Paris, a classmate was Yves Saint Laurent. Costa married his high school sweetheart in Paris and returned to New York.

His breakthrough came in the '60s, when he worked at Suzy Perette, a dress house where the prevailing silhouette was the small-waisted, peticoteo look. The job entailed frequent trips to the Paris couture showings with the owner, Sidney Blumberg. In exchange for purchasing one or two styles, the two were permitted to see the shows. Suzy Perette specialized in what were called "fine line copies." Techniques he developed there enable Costa later to capture the essence of other designers' collections.

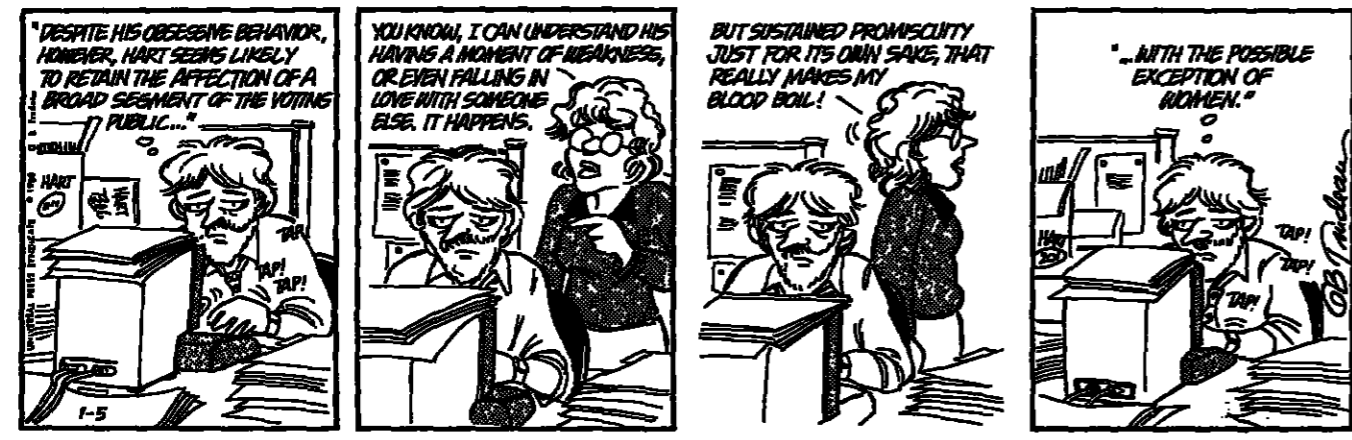
Forty years ago Costa moved to Dallas. He bought Ann Murray, a fashion house, and sold \$1 million in merchandise his first season.

"There was a labor force in Dallas when I came here, specializing mostly in inexpensive styles like pull-on polyester pants," he said. "But many of those workers could learn to make more complicated dresses with draped bodices, linings and interlinings."

Forty percent of Costa merchandise is made by the 150 workers in his own factory, which he is outgrowing. Less complicated styles are made in outside shops or by contractors. Costa is happy about money-saving tricks, like substituting a \$1.50 made-in-America flower for a \$40 original he bought in Paris. And while most designers complain that it is impossible to buy good fabrics in the United States, Costa manages.

"It's very pleasing to me that women who can afford to buy anything feel secure in my clothes," Costa said. "Maybe, at the age of 52, I know what I am doing. I'm hooked on this whole crazy dress-up movement. I hope it will last, but I know the tape of fashion change has speeded up. I'm going to enjoy it while it's here."

DOONESBURY



10 Salieri Manuscripts Found

PRAGUE — A Czechoslovak museum has found 10 manuscript scores by Antonio Salieri in its archives, the Czech news agency reported on Monday. Found in the archives of the Moravian Museum in Brno, they include a requiem, three operas, an oratorio, cantatas, choruses and a singspiel, the agency said. Interest in Salieri (1750-1825), a court composer in Vienna, was reawakened by the 1984 film "Amadeus," which depicts his rivalry with Mozart.

GENERAL NEWS

Iran Seeks Oil Outlet Via Pipeline in Turkey

By Alan Cowell  
New York Times Service

CAIRO — Alarmed by the escalation of Iraqi attacks on its shipping in the Gulf, Iran is negotiating for a new pipeline to export oil through Turkey, Turkish government and oil industry officials said Monday.

An Iranian delegation, the officials said, was due in Ankara soon for two weeks of discussions that might finalize the deal, according to the officials.

The Iranian strategy, diplomats said, mirrors that of Iraq, which has two pipelines running from its oil fields to Iskenderun on Turkey's Mediterranean coast. Those pipelines, with a capacity of 1.5 million barrels per day from Iraq's northern oil fields around Kirkuk, greatly reduce Baghdad's vulnerability to attack on the oil exports that fund its war coffers.

The Turkish officials rejected reports saying Iran was seeking a pipeline to Trabzon, on the Black Sea coast of Turkey, which would be shorter, less costly and strategically located away from Iraqi oil outlets at Iskenderun.

Construction of an Iran-Turkey pipeline, diplomats said, could represent a long-term shift in the balance of the Gulf War and further lessen the importance of the Gulf as an oil outlet.

Increasingly, Baghdad has exploited its air supremacy over Iran to send its planes against Iranian shipping, hoping to choke Tehran's sole oil export route and thus reduce the oil revenues it needs to buy armaments.

The Iraqis rely for their exports on a tanker shuttle from the Kharg island terminal in the northern Gulf to vessels waiting further

south in waters beyond the present range of Iraqi planes.

Iran has responded to Baghdad's strikes by attacking neutral shipping serving Iraq and its Gulf Arab allies, drawing the United States, the Soviet Union and other foreign powers into the Gulf to protect shipping.

Despite the presence of a flotilla of over 80 foreign naval vessels in the Gulf, however, the so-called tanker war has escalated.

According to recent tallies, attacks on shipping increased dramatically last year.

Lloyds Shipping Agents in London said that 178 vessels were attacked and 108 seamen killed in 1987, compared with 80 ships hit and 52 sailors killed the year before. The number of dead in 1987 included the 37 American seamen killed when an Iraqi missile struck the frigate Stark in May.

The notion of an Iran-Turkey pipeline, Turkish officials said, has been discussed on various occasions for several decades.

In October, however, a Turkish delegation in Tehran renewed the idea and a negotiating team from Turkey's state-owned pipeline company, Botas, visited Iran in November.

Turkish officials said the discussions this month would center on the feasibility of a 1,300-mile (2,100-kilometer) pipeline from Ahvaz, just north of the Gulf, to Turkey's main oil terminal at Doryol in Iskenderun Bay in the southeast of the country.

■ Carlucci in Kuwait

The U.S. defense secretary, Frank C. Carlucci, arrived Monday in Kuwait on the first stop of a tour of the Gulf area. The Associated Press reported from Bahrain.



BACK TO THE MAINLAND — Retired members of Chiang Kai-shek's Nationalist Army, which fled to Taiwan in 1949, applying for grants to return to China to visit their families and former homes. Thousands of the elderly former soldiers, who are too poor to afford the trip, sought the grants following a national fund-raising effort on their behalf that raised \$8.4 million.

France May Limit Campaign Funds

By Steven Greenhouse  
New York Times Service

PARIS — Officials in the administration of Prime Minister Jacques Chirac say they will formally propose legislation later this month that would set limits for the first time on campaign spending and donations.

In addition, the legislation, which will be debated in a special parliamentary session in late January, would require candidates to disclose names of donors.

France is the only major Western democracy that does not regulate campaign financing. Thus political slush funds are common and donor anonymity is guaranteed.

French political analysts said that in proposing such legislation, the conservative administration of Mr. Chirac was trying to steal the thunder of President Francois Mitterrand, a Socialist, who said in November that the nation's system of campaign financing was a disgrace.

The 71-year-old president has not yet announced whether he will run for a second seven-year term in the presidential election this spring. If he does, one of his opponents certainly will be Mr. Chirac.

After Mr. Mitterrand called on Nov. 16 for regulation of campaign financing, many political analysts said Mr. Chirac's well-heeled neo-

BLOC: Comecon Traders No Longer Look to Moscow

(Continued from Page 1)

mas Beck, chief executive of the Buda-Flax textile mills, outside Budapest, and president of Hungary's Chamber of Commerce, who said, "The situation is getting harder, and more effort is necessary."

In Warsaw and Budapest where officials are talking about the most far-reaching innovation, the conviction is widespread that the choice they face is between retreating into Communist citadels and thus accepting prolonged stagnation, or making their industries more productive by loosening ideological shackles.

"It is necessary to put politics in its proper place, and let the economy be run on the basis of need and rationality," said Mihaly Simai, at the Hungarian Institute for the World Economy.

At the Polish Communist Party's theoretical journal, Nowe Drogi, the deputy editor, Ludwik Krascinski, said: "It is a question of breaking the omnipotence of the state. The state was once involved in everything. Perhaps it was never as bad as in the Soviet Union, but now we are liquidating this."

The Polish-Soviet cosmetics joint venture is perhaps representative of the changes. Where in past ventures the Soviet side dictated and the Polish side delivered, now the two nations are equals.

In Moscow, the usual backwardness of the centrally controlled system is aggravated by the growing burden of weak prices for gas and oil, which are still the strongest Soviet exports for hard currency. Moscow was forced to borrow \$6 billion from Western banks in the last two years to cover hard-currency shortfalls, according to estimates published in the West.

The immediate risk for the Soviet Union is twofold. Economically, there is little chance for Moscow to reverse its falling fortunes if it is saddled with sluggish allies. Mr. Gorbachev addressed that concern in a speech in Bucharest in May, when he warned his allies against using the Council for Mutual Economic Assistance, or Comecon, as a "garbage can" for shoddy and backward products they could not sell elsewhere.

But the economic issue spills into a second set of concerns, political in nature: that a falling standard of living will spawn social unrest throughout the bloc.

"We are in a very dry forest," said Erwin Plichinski, deputy director of the Polish Planning Agency. "If you light a fire, maybe the whole forest will burn."

Hungary, often vaunted as the bloc's most nimble competitor since it began installing new eco-

mic mechanisms in 1968, expects another large trade deficit.

Economic planners attribute these failures to outside factors like oil price shocks and protectionism in the West, where countries with huge farm surpluses are closing their borders to Romanian beef, Polish canned hams and other products that have been the mainstay of East bloc exports.

Moreover, these countries say Western curbs on the sale of high

technology products, like telephone exchanges and industrial process computers, because of their possible military use, hamper the modernization of their economies. But the big problems are internal.

Industrial white elephants, like the steel and aluminum industries, swallow enormous government subsidies. New dynamic industries are hampered by bureaucratic roadblocks and lack of investment capital. This prevents the production of goods that would earn the hard currency needed to pay back the foreign debt.

The stumbling of Hungary's half steps toward market mechanisms is significant since they are being increasingly imitated elsewhere. The most spectacular convert has been the Polish government of Wojciech Jaruzelski. Bulgaria and Czechoslovakia also are edging down the same road.

Some countries are simply afraid of widespread change, because of the political uncertainties involved. Kurt Hager, an East German Politburo member, asked whether East Germany would follow the Soviet path of change, replied that people should not feel forced to redecorate whenever the neighbors wallpapered anew.

Central planners with a vested interest in the old system can erect roadblocks, while years of socialist indoctrination make many workers hostile to plans enabling those who work harder to earn more.

Budapest has announced another giant step toward market-orient-

ed change, designing the East bloc's first value-added tax and personal income tax to shift the tax onus from corporations to private individuals, freeing business capital for investment. At the same time, the government is shaking up banking, creating competitive Western-style commercial banks empowered in theory to liquidate unprofitable corporate customers.

Still, the new taxes, which took effect Friday, threaten to drive up retail prices in Hungary, causing inflation, and to increase the cost of labor. That would force companies to slash their work forces, creating the prospect of widespread unemployment.

Hungary has had legal mechanisms for bankruptcy proceedings against unprofitable companies for years now. Officials have failed to use them, precisely to avoid job losses. And no one can explain why the new commercial banks should be any more willing to liquidate money-losing companies.

On the other hand, some party leaders are concerned that widening the private sector might spawn an entrepreneurial class with political clout in addition to formidable economic influence. That might create pressure for Western political institutions like free elections.

Currently, the Soviet Union does not pay cash subsidies to its allies, but it sends them cheap raw materials, and its vast economy absorbs huge amounts of the region's shoddy manufactured goods and poor-quality food products, all of which acts as a drag on Soviet economic performance.

At the same time, Mr. Gorbachev must be worried that Moscow's inability to render substantial assistance to the allies would force them increasingly to turn to the West, exposing them at the same time to Western ideas and political leverage.

Soviet efforts to weld the group more closely together, as a way of pooling capital and technological expertise, meet with little enthusiasm. Plans for a division of labor, enabling the countries to specialize in products they best know how to manufacture, stumble over national ambitions to be self sustaining.

Dutch Set Domino Record

ROSMALEN, Netherlands — Dutch students set a world record for knocking down dominoes by setting off a chain reaction that tumbled more than 1.3 million. The event, which lasted 45 minutes, beat a previous record of 770,000.

HANA MORI BOUTIQUES SALES FROM TUESDAY, JANUARY 5 TO SATURDAY, JANUARY 9 17, 19 Avenue Montaigne 75008 Paris - Tel.: 47 23 52 03 62, Faubourg Saint-Honoré 75008 Paris - Tel.: 47 42 78 78

PORTHAULT LE GRAND DU BLANC TOUT PETITS PRIX EN JANVIER D. Porthault 18, avenue Montaigne, Paris 8 47.20.75.35

ESCADA corner Marie-Martine sales 8 Rue de Stéves, Paris 6th. 50 Fbg. St-Honoré, Paris 8th

INTERNATIONAL European for Dollar... Various small advertisements and notices on the right margin.



INTERNATIONAL STOCK MARKETS

European Market Is Bleak For Dollar Debt or Equity

By ERIC N. BERG

NEW YORK — For U.S. companies seeking to sell debt or equity, Europe is looking barren and forbidding. Ever since the debacle on Wall Street in October, the European market for dollar-denominated debt or equity has been nearly dead, investment professionals say.

Although there have been some dollar issues, they typically have been by entities outside the United States, such as the city of Tokyo, Sanwa International or the government of Finland. U.S. corporations have been noticeably absent.

The reasons given for this slump are varied, but include the depressed dollar and the fears of foreign investors that American securities will fall further in price in the coming months.

"We have done a handful of deals since Oct. 19 compared with a handful a week in the prior period," said Michel de Carvalho, an executive director in London for Credit Suisse.

Moreover, investment professionals are not optimistic about a revival anytime soon.

Of course, the market for American debt or equity in what investment professionals call the Euro market is not the only one suffering from a dearth of new issues. In the United States, too, new issues have fallen off. But experts say the decline has been even more severe in Europe, and the data bear this out.

From Jan. 1 of last year to Oct. 19, U.S. companies sold 209 issues worth \$21.8 billion, according to EDD Information Services, a New York-based research concern. It said that since the collapse, however, there have been only 10 issues worth \$579.5 million.

For American companies, the lack of a market for their stocks and bonds is definitely bad news. Europe and Asia — indeed, the world's financial markets — provide a large part of the demand for these securities.

Investment professionals offer various explanations. The chief financial officers of many of the issuing companies have not recovered psychologically from Oct. 19. With their stocks selling for, in many cases, 30 percent less than they were before the collapse, they are unwilling to sell new stock at what they perceive to be temporarily depressed prices.

ON THE BUYER SIDE, many European investors fear that U.S. stock and bond prices will fall further. Most important, Europeans are afraid that they could suffer large foreign exchange losses if they continue investing in American stocks and bonds.

Now, with the dollar falling to new lows and the consensus among traders that the currency might well go lower, many European investors are refusing to buy dollar-denominated securities, regardless of how the outlook for stock prices is viewed.

"There has been a move away from the dollar as the investment currency," said Robert LeBlanc, an associate director of J.P. Morgan Securities Ltd., the London-based underwriting arm of Morgan Guaranty Trust Co.

Indeed, investment experts say there can be no life in the Euro markets until investor fears over currency losses subside. If that happens, say, by spring, then it would not be until late spring or early summer before the volume in new issues picks up.

Experts say that even then, if the past is any guide, European investors will first test the waters by buying only well-known American names: companies like General Electric Co., International Business Machines Corp. and American Telephone & Telegraph Corp. Only then, once the Europeans have reacclimated themselves to U.S. securities, will lesser-known debt and equity be sold, the experts emphasize.

Experts say there can be no life in the Euro markets until fears over currency losses subside.

U.S. Bank Cuts Rate To 8.5%

Move on Prime Lifts Wall Street

By ERIC N. BERG

ST. LOUIS, Missouri — Southwest Bank of St. Louis said Monday that it was lowering its prime rate from 8.75 percent to 8.5 percent effective Tuesday.

The announcement buoyed Wall Street, where investors interpreted the move as a sign that other large banks would soon follow suit, though none did Monday.

The Dow Jones industrial average soared 76.42 points in its first full day of trading in the new year. Analysts said that the rate cut, coupled with a slight firming of the dollar, diminished inflation fears.

Southwest has frequently led industry moves to adjust the prime rate, a benchmark used to figure interest costs on loans to banks' corporate customers.

The rate last changed on Nov. 5, when most banks lowered it from 9 percent to 8.75 percent after the Oct. 19 stock price collapse.

In New York, U.S. Trust Co. said it has cut its broker loan rate to 8 percent from 8.75 percent, effective immediately.

Southwest's chairman emeritus, Colonel L.A. Long, said the bank acted because the difference between the prime rate and other short-term rates is larger than usual. The federal discount rate is currently 6 percent, the 90-day Treasury bill rate is 5.35 percent and the 90-day commercial paper rate is 7.10 percent.

He also cited recent moves by Japan and most European nations to cut crucial interest rates.

Building Spending Rises

U.S. construction spending jumped 22 percent in November, the largest increase in nine months, the Commerce Department said Monday.

It said that spending on new construction rose to a seasonally adjusted annual rate of \$419.5 billion in November, The Associated Press reported from Washington.

November's increase was the biggest one-month rise since a 4.4 percent gain in February. Spending fell 0.1 percent in October, revised from a 0.5 drop as earlier reported.

Consumer Confidence Up

U.S. consumers shaken by October's stock collapse recovered a measure of their confidence last month, the Conference Board, a business research group said Monday.

The board said its December Consumer Confidence Index rose 5 points from November's 105.8. The Associated Press reported from New York.

Marimekko Makes a Subtler Splash

Fabric Firm Sheds Costs, '60s Image

By Cindy Babski

HELSINKI — There was never any doubt about what the inside label would say. With their striking design and splashes of bold color, the clothes and fabrics were clearly Marimekko. For people who came of age in the 1960s, they conjured up an image and an era.

Now, 20 years after its heyday, the Finnish textile clothing company is trying to survive the worst crisis of its 37-year history.

"When I was in school, it was very hot stuff if you had Marimekko clothes and Marimekko bags," said Henry Kallio, a financial analyst in Helsinki who follows the company. "But in the '80s, I don't know if any of my friends talk about Marimekko."

Burdened with an outdated image and high production costs, Marimekko is struggling to revitalize its image and woo new customers. The company, which has been losing money since it was bought by Amer Group, the Finnish conglomerate, in 1985, is trying to cut its losses and reclaim a place for itself in international fashion.

It has hired new designers and executives, started manufacturing in countries where costs are lower than in Finland, and tried to squeeze more profit out of its American operation by opening a New York store. Perhaps the most important change is that Marimekko, with a new president, is being run like a business and not just an elite design studio. Its designers are learning to focus on sales as well as aesthetics.

"You have to do that because competition is so hard," said Pijo Rautiainen, a Marimekko coat designer. "You have to sell."

Even in creating new designs, she said, "we have to compromise because of marketing and work production."

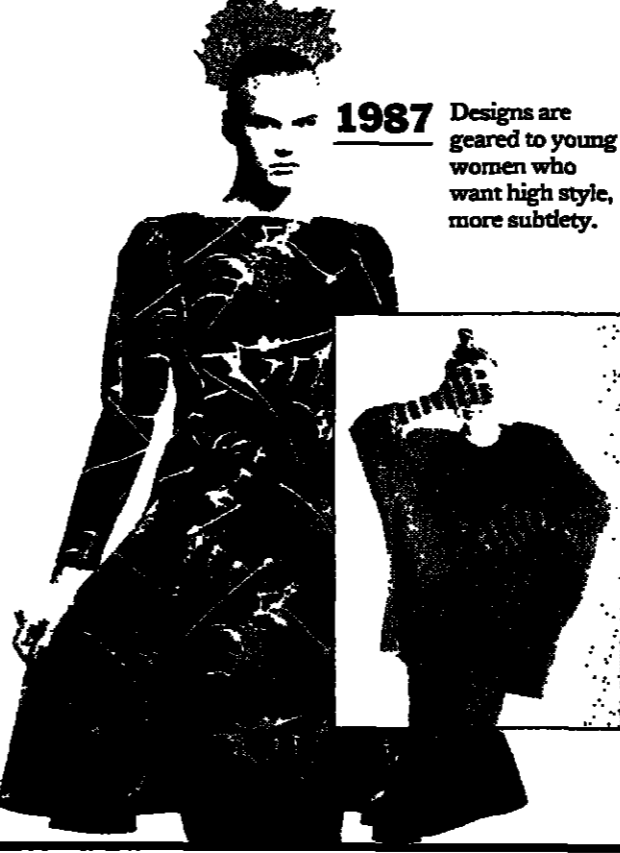
Marimekko is also pursuing a new breed of shopper: affluent young women who want up-to-date wardrobes. It does not want to be a clothing only to the aging hippies and middle-aged intellectuals who made it famous 20 years ago.

"We're trying to gear the product to younger consumers, new consumers," said Jan-Erik Groenlund, who was named president of Marimekko by Amer Group a year ago.

Those customers, according to the marketing director, Sylvia Dahlstrom, "are of a mental age of 25-plus." It is a group, she said, that can include teen-agers or



1967 The look was bold and colorful — pop art turned into clothing.



1987 Designs are geared to young women who want high style, more subtlety.



1987 Designs are geared to young women who want high style, more subtlety.

women in their early 20s who are trying to appear more sophisticated. It does not want to lose its old customers, but believes its future depends on young women. New styles, fabrics and colors have emerged from that business decision. Already, Marimekko's trademark look — brash, pop-art splashes of color — has given way to subtler designs and colors. "My biggest challenge," said Leena Lind, a 28-year-old staff designer who was hired a year ago, "is to make the old look new."

H.K. Prices Fall, Then Steady, Amid Inquiry

HONG KONG — Share prices plunged, then recovered Monday as the Hong Kong stock exchange reacted uncertainly to the weekend arrests of three of its top officials in a corruption investigation.

The Hang Seng index, the main indicator of stock performance, tumbled more than 100 points amid doubts about the scandal's long-term effect on share prices. But prices rallied later, allowing the index to finish just 16 points lower at 2,286.29.

"It wasn't panic selling, but there was plenty of interest in trimming stock holdings after the arrests," a local broker said.

Senior government officials met with legislators, meanwhile, to discuss the arrest Saturday of Ronald Li, the former chairman of the exchange; its former chief executive, Jeffrey Sun; and the former head of its listing department, Donald Tsang. The arrests came in an inquiry by the Independent Commission Against Corruption.

The three men were freed on bail without charges, but must report back to the commission in February.

Following a weekend shake-up in the exchange's managing committee, the exchange said Monday that it also had appointed a panel to oversee new listings. The arrests are believed by some analysts to involve listing of new shares.

The new panel will include Robert Yue Kin-Cheong, the vice chairman of the exchange's management committee; the exchange's chief executive, Robert Fell; and two members of the management committee, Philip Wong and Keib Lam. Mr. Yue is the only member who

served on the previous listing panel.

A 14-member management committee was selected over the weekend to run the bourse during the inquiry. That committee excludes the exchange's chairman, Charles Sin, and Mr. Li, who has served as vice chairman since he stepped down as chairman in mid-December.

Hong Kong's secretary for monetary affairs, David Nendick, on Monday dismissed a remark by Mr. Sin that the suspension of seven committee members was part of a "smear campaign" against them.

"We are an international financial center," Mr. Nendick said. "We need to demonstrate to the world that there aren't uncertainties surrounding the way our stock exchange is being run."

He also said that the Hong Kong government had prepared a contingency plan in case members of the exchange committee refused to "distance themselves" from the panel during the graft inquiry.

Under Mr. Li's tenure, the exchange shut its doors for four days in October following the Oct. 19 plunge in share prices. Many brokers said that the closing exacerbated the fall in local prices when trading resumed.

The closure highlighted a rift between foreign and local brokers. Local brokers generally supported Mr. Li, who was seen as their champion. Foreign brokers were dissatisfied with Mr. Li's management style and complained that although they accounted for much of the exchange's business, they had little say in how it was run.

EC Seeks Changes in BA Deal

BRUSSELS — European Community experts want changes in the conditions for the £250 million (\$456 million) proposed merger between British Airways and British Caledonian Airways because the takeover could restrict competition, EC sources said Monday.

They said officials of the EC's governing Executive Commission would meet with representatives of British Airways on Tuesday after considering an official British report that laid out the conditions for the merger.

"We have some questions and some suggestions to make because some aspects of the deal could reduce competition," one official said.

BA had said it would resist any EC moves, although the EC does

have some jurisdiction in takeovers that affect its members.

Last month, a group of British carriers said that they had asked the EC's competition office to review the merger, which would create one of the world's largest airlines. BA already is the fifth-biggest carrier in the world, whereas BCal is the second-largest scheduled airline in Britain.

The office, along with a number of critics in Britain, already had expressed doubt over the deal, first announced in July.

Among these critics was the Civil Aviation Authority in Britain and its Mergers and Monopolies Commission. The latter group ruled that before the deal could go forward, BA would have to agree to divest a number of BCal's routes.

Currency Rates

Table with columns for Country, Currency, and Rate. Includes entries for Amsterdam, Frankfurt, London, Milan, New York, Paris, Tokyo, Zurich, and various ECUs.

Table with columns for Country, Currency, and Rate. Includes entries for Argentina, Australia, Austria, Belgium, Brazil, Canada, Denmark, Germany, Greece, Hong Kong, India, Italy, Japan, Korea, Malaysia, Mexico, New Zealand, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, and USA.

Table with columns for Currency, Rate, and other details. Includes entries for 30-day, 60-day, 90-day, and 1-year rates for various currencies.

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Bonds: This Year May Be No Better

The Question Is How Growth and Inflation Will Interact

By Michael Quint

NEW YORK — After a year of falling bond prices and volatile interest rates, the sports fan's "wait till next year" refrain has been echoing through the credit markets.

But traders and investors recognize that the new year may be no more beneficial than 1987. Many analysts expect the fear of inflation, which helped raise Treasury bond yields last year, to continue even as slower economic growth keeps alive hopes that the Federal Reserve will ease monetary policy and reduce short-term rates.

Just what balance is struck between inflation fears (which keep interest rates high) and expectations of a weaker economy (which help reduce rates) is an open question. This has led to forecasts of Treasury bond yields ranging from 7 percent to 10 percent this year.

"The weakness in the dollar is a big obstacle for the bond market," said Mitchell Held, an economist at Smith Barney, Harris Upham & Co., who raised his inflation forecast for 1988 to 5.4 percent as the dollar fell to new lows in late December. He expects inflation to be strong enough to raise Treasury bond yields to about 10 percent.

Although increases in wage costs have remained small and recent declines in oil prices should dampen gains in consumer prices, analysts said pressure for higher prices is coming from industries where the dollar's drop has made U.S. products sharply cheaper abroad.

"A lot of industries like paper and plastics are already operating at full capacity, and I expect some higher prices to emerge as they face strong demand from overseas," Mr. Held said.

Imported goods are another likely source of higher inflation. Foreign companies may stop accepting smaller profit margins on their exports to the United States and begin raising prices to compensate for the decline in the dollar's value.

Other economists prefer focusing on signs of economic weakness that eventually would lead the Federal Reserve to reduce short-term interest rates. David Resler, chief economist at Nomura Securities, expects inflation to be lower than last year, with the economy expanding at a rate of only 1.7 per-

cent, about half the rate estimated for 1987.

"If there is some semblance of stability in the dollar," he added, "the prospects are good for an increased inflow of capital from private Japanese investors." American interest rates are much higher than those in Japan, he noted, and the dollar's decline has dramatically reduced the price of American assets.

The potential for rapid shifts in sentiment and bond prices was shown dramatically last April and May when a quick rise in Treasury

Some analysts focus on sources of new inflation, which would boost interest rates. But a weakening economy, others say, will bring lower short-term rates.

Although Treasury bills do not offer much potential for capital gains if interest rates fall, they offer good protection against loss when rates are rising. Last year, for example, the Ryan Index for Treasury bills rose 6.35 percent — less than its 8.8 percent average of the past five years but more than most other sectors of the bond market.

Besides changes in interest rates, there may be alterations in the Treasury's traditional offerings of bills, notes and bonds.

In the corporate market, the supply of new financings is expected to depend largely on interest rates. Analysts at Moody's Investors Service have noted that the low volume of bond sales after interest rates fell in October indicated that "corporate decision makers believe that borrowing might best be postponed until 1988, when an expected slowing of the economy will slash interest rates."

T-Bill Rates Rise

Interest rates on short-term Treasury securities rose in Monday's auction after falling sharply last week. The Associated Press reported from Washington.

The Treasury Department sold \$6.4 billion in three-month bills at an average discount rate of 5.90 percent, up from 5.73 percent last week. An additional \$6.4 billion was sold in six-month bills at an average discount rate of 6.35 percent, up from 6.32 percent.

The rates were the highest since Dec. 21, when three-month bills sold for 5.96 percent and six-month bills averaged 6.48 percent.

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NYSE Most Actives table with columns: Vol., High, Low, Last, Chg.

Market Sales table with columns: NYSE 4 a.m. volume, NYSE prev. close, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Monday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table with columns: Close, Prev.

NASDAQ Index table with columns: Composite, Industrial, etc.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Bonds, Utilities, Industrials.

NYSE Diary table with columns: Close, Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sales, %Vol.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns: Industrials, Transp., etc.

Previous NASDAQ Diary table with columns: Close, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Soars on Dollar Rebound

NEW YORK — Prices on the New York Stock Exchange soared Monday, celebrating a coordinated effort by the central banks to rescue a slumping dollar. Trading was active. The Dow Jones industrial average jumped 76.42, or 3.94 percent, to close at 2,015.25. It was the first close above the 2,000 level since Dec. 23 and the fourth-largest single-day advance in the index. The Dow had fallen 60.84 last week. Advances trounced declines by a 15-2 ratio. Volume amounted to 181.8 million shares, up from 170.1 million Thursday. Larry Wachtel, a market analyst with Prudential-Bache Securities Inc., said that the impressive gain was a combination of the dollar rally and the release of "bored-up passions" on the part of market participants. "There was a shootout between the central banks and the speculators" on the dollar, Mr. Wachtel said. "And the central banks won." The stock market's surge was evident in the broad-market indexes. The NYSE composite index rose 4.67 to 142.90. Standard & Poor's 500-stock index added 8.86 to 255.94. The price of an average share gained 64 cents. In addition to the dollar's recovery, "There is a growing awareness that the market crash did not cause a recession," Mr. Wachtel said. "As we get additional data, the consumer side is slowing, but the industrial and export side is vibrant." Mr. Wachtel's view of the economy was supported by the latest economic survey released by the National Association of Purchasing Management, which reported surprising strength in the nation's economy in December. Mr. Wachtel said that the "impressive part of the move is not the Dow. Although it's nice to see the Dow ahead, it is the accompanying breadth. "Basically, this is a move into stocks because earnings prospects are going to be bright," he said. "The market overcompensated on the downside during the crash. Rationality has come back." "We have an exceptional market here," said Trude Latimer of Josephthal & Co. "The advance is broadly based and not just confined to the blue chips." Ms. Latimer said that the market was encouraged by central bank intervention to stabilize the dollar and by a reduction in the prime rate. Southwest Bank in St. Louis announced it had lowered its prime lending rate to 8.5 percent from 8.75 percent, effective Tuesday. "No major bank immediately followed the cut," she said. "There is a renewed interest in the financial services sector because of the drop in the prime." Ms. Latimer said. "And there is increasing hope that the Federal Reserve will continue to intervene to support the dollar." Ms. Latimer said there was an emerging perception in international markets that the United States was serious about entering the market to stem the dollar's fall. "It looks like the Fed really means it this time," she said. "If this is the harbinger of things to come, we can look forward to a good first quarter," she said. "There is nothing on the economic horizon that should disturb this except the dollar. We are off and running on a wonderful note. We're keeping our fingers crossed. But this really helps morale." Carolina Power & Light was the most active NYSE-listed issue, up 4 to 33 1/2. Illinois Power followed, up 1/4 to 23 1/2. IBM was third, up 3/4 to 120 1/4. Texaco was unchanged at 37 1/4. Pennzoil was up 2 1/4 to 73 1/4.

Large table of stock prices (A-M) with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 Wk High/Low, Close, Chg.

Table of stock prices (N-R) with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 Wk High/Low, Close, Chg.

Table of stock prices (S-V) with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 Wk High/Low, Close, Chg.

Table of stock prices (W-Z) with columns: 12 Month High/Low, Stock, Div. Yld. PE, 52 Wk High/Low, Close, Chg.

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Robins Mc and MARINEK logos.

(Continued on next left-hand page)

JPY 100/150

# A Pullback by Wall Street's Block-Trading Desks Leaves Prices More Volatile

By Anise C. Wallace  
New York Times Service

NEW YORK — By putting up millions of dollars of their own capital, Wall Street's largest brokerage firms have long made the difference between an orderly market for giant institutional stock trades and one that bounces around wildly.

But following the stock market collapse in October and amid a general retrenchment spreading through Wall Street, many of these block trading desks are putting fewer chips on the table.

So stock price volatility has increased since October. With fewer Wall Street firms willing to risk capital when there are no other buyers or sellers around, stock prices swing more widely.

"The block desks are not willing to stand up," said Cheryl Fisher, trading manager at New York's Integrated Resources Asset Management. "Some have stepped up more than they usually have."

While over-the-counter market makers received most of the negative publicity for evading sell orders during the October plunge, some of the biggest Wall Street dealers also failed to answer telephones or took too long to respond to their clients' pleas to sell New York Stock Exchange stocks, money managers say. The Securities and Exchange Commission is investigating such complaints as part of its study of the market collapse, according to a source at the commission.

Some professionals suspect that this liquidity squeeze may lead to a change in strategy by institutional investors. Jay Mangan, head of trading at Citicorp Investment Management Inc., thinks there could be a return to the buy-and-hold strategy, not seen since the early 1970s. For the moment, the era of "get me in and get me out" has gone away, he said.

It is almost impossible to determine how much Wall Street firms commit to position trading. Estimates range from \$1 billion to \$2 billion. This information is generally kept private even by publicly traded firms. Some of the largest firms have up to several hundred million dollars available. Smaller firms will risk only \$25 million.

Some traders estimate that the big Wall Street firms are putting one-fourth to one-half less money at risk for these so-called position trades. And they do not expect firms to rush back in to handle the



Stanley B. Shopkorn, second from left, Salomon Brothers' managing director for equities, in block trading area.

large block trading the way they did before the market's collapse.

"I think those days are gone," said Nicholas J. Minucci, managing director in charge of block trading at New York's First Boston Corp.

Not all of Wall Street's block traders agree there has been any change. "I have not seen a decrease in activity in bidding or offering of merchandise by Salomon or most of the other major block firms," said Stanley B. Shopkorn, managing director in charge of equities at Salomon Brothers.

Block position trading is a service Wall Street firms provide to large institutional clients. In healthy times, there can be up to 20 firms in the block business. In more difficult periods, like the present one, the number drops to as few as four or five. The largest and most active traditionally have been Salomon; Goldman, Sachs; First Boston; Merrill Lynch; Morgan, Stanley; and Donaldson, Lufkin & Jenrette.

It is firms such as these that the portfolio managers at banks, insurance companies, investment management firms and mutual funds call when they want to buy and sell millions of shares of stock. The block trading desks either will "work the trade" by matching the shares with an order from other institutional customers, or, if a buyer or seller is not available at or near the last sale on the exchange, the block trading desk will, for favored clients, position the trade by buying the block outright with its own capital.

During the more ebullient days of 1987, block firms were anxious to take these positions so they could control the flow of stocks, and the

resulting commissions, portfolio managers say. They called traders at institutions eagerly looking for positions. Now they rarely initiate such calls and accept blocks reluctantly, their clients say.

Even when Wall Street's block traders are willing to put their firms' money on the line, they are taking fewer chances. Instead of buying a block of, say, 100,000 shares at \$80.50 a share, only 50 cents less than the previous trade, a Wall Street firm is now more likely to offer only \$80.25 a share. The firm then turns around and tries eventually to resell the block at the highest price. If it has to take less than it paid, it hopes that the commission received on 100,000 shares or subsequent business from that customer will offset the loss.

In the new environment since October, money managers say they see various forms of cutbacks. Some firms have stepped to the sidelines by declining to do large transactions. Others have cut back trading in specific stock groups and some simply have reduced the amount of inventory they are willing to carry overnight.

Blocks of 25,000 shares can now move prices as much as 100,000-share blocks did before the crash, money managers say. "If the market gets a whiff of someone looking to sell 50,000 or 100,000 shares, the price might drop by a quarter of a point," said one trader.

Some of the largest institutional traders say they are now re-examining their relationships with brokers. Some of the biggest investors say that they are working with a smaller number of dealers that they know will "stand up" for them in a difficult time.

Alliance Capital Management, for example, which owns more than 500 stocks and works with 200 brokerage firms, has cut the list since October, said Dan V. Panker, senior vice president and trading head.

For obvious reasons, officials at very few Wall Street firms will admit to abandoning customers during this difficult time. Some traders said that money managers were trying to blame brokerage firms for poor returns. Others flatly deny the money managers' charges. "We're right about where we were before October," said Thomas F. Ryan Jr., managing director of Kidder, Peabody.

But some Wall Street firms have eliminated some investment organizations from their lists in recent weeks. "It's totally in the eye of the beholder," said Jacques Theriot, senior vice president at Smith, Barney. "We're not there for accounts we wish not to be there for."

## AIRBUS: Trade Dispute

(Continued from Page 1)

winter so the decisions will come out in the heat of the 1988 presidential campaign to intensify pressure on the Europeans.

While they have their trade guns at the ready, industry sources emphasized they do not want a confrontation because of the certainty that U.S. trade sanctions would trigger European retaliation.

According to congressional testimony, European airlines threatened to cancel orders for McDonnell Douglas planes if that company continued pressing the Reagan administration.

McDonnell's chairman, Sanford D. McDonnell, bowed to that pressure last February, asking the deputy U.S. trade representative, Michael B. Smith, and the

**'On a scale of 10, we are 9 apart. We are nowhere near a settlement.'**

A senior U.S. administration official.

undersecretary of commerce, Bruce Smart Jr., to ease their pressure on the Europeans. This move angered the two main U.S. industrial senators who had been energized on the issue by McDonnell.

Now, however, Mr. McDonnell is pushing again for action.

But administration officials and industry representatives said the United States and the EC remain far apart after a series of talks here and in Europe over the past two months. "There is a massive gulf," said an industry source.

"On a scale of 10, we are 9 apart," said the senior administration official. "We are nowhere near a settlement. The U.S. government is a long way from an agreement with the community on this one."

The official suggested that there is no need to go ahead with high-level talks between the U.S. trade representative, Clayton K. Yeutter, and the EC trade commissioner, Willy De Clercq scheduled for February without progress in lower-level talks this month in reducing the basic differences between the two sides.

EC officials, who took a more optimistic view than the Americans of talks between Mr. Yeutter and Mr. Smith and their European counterparts last month, were stung by those comments. Françoise Bail, a spokeswoman for the EC, said in Brussels that there had been progress in the talks even though "there are fundamental problems which still divide us."

"We are determined to continue to negotiate," she said.

According to the senior administration official, the Europeans insist that they must have the right "to continue subsidizing Airbus to make sure it survives."

Members of the consortium, particularly West Germany, are demanding special coverage that would insulate the Airbus from exchange-rate fluctuations, which is "unheard of in trade negotiations of this sort," the official said.

They also want "the ultimate bailout clause" so they can save the Airbus "if it is threatened with disaster," he said.

Mr. Smart testified in June that Airbus had received at least \$5 billion in subsidies since the project started in 1969. U.S. officials said none of the four major families of aircraft produced with those subsidies had turned a profit, and little if any of the funding had been repaid to the governments.

The Europeans have argued that government financing for Airbus takes the form of interest-bearing loans that are being repaid.

In June, the governments announced as much as \$4 billion in additional subsidies to design and build a new family of widebody jets, the A-330 and A-340, that will compete head on with McDonnell's MD-11 that was announced six months earlier.

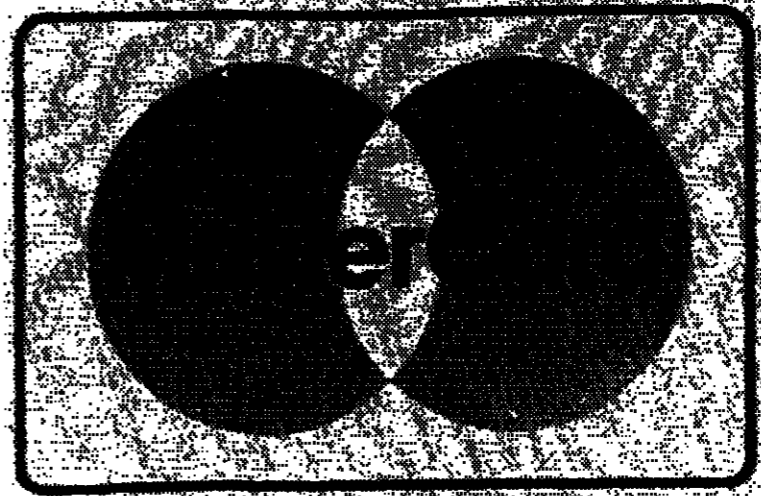
The subsidies have allowed Airbus to sell their plants at bargain-basement prices, as low as \$35 million to \$40 million for a plane whose true costs, including a reasonable profit, amount to \$50 million to \$60 million.

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Monday's NISE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High Low Div. Yld. PE 52 High Low Close

(Continued)

Table of stock prices for various companies including PPG, PPG Corp, PPG Industries, etc.

Table of stock prices for various companies including QMS, QMS Corp, QMS Industries, etc.

Table of stock prices for various companies including R, R Corp, R Industries, etc.

Table of stock prices for various companies including S, S Corp, S Industries, etc.

Table of stock prices for various companies including T, T Corp, T Industries, etc.

Table of stock prices for various companies including U, U Corp, U Industries, etc.

Table of stock prices for various companies including V, V Corp, V Industries, etc.

Table of stock prices for various companies including W, W Corp, W Industries, etc.

Table of stock prices for various companies including X, X Corp, X Industries, etc.

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Table of stock prices for various companies including Z, Z Corp, Z Industries, etc.

Table of stock prices for various companies including AA, AA Corp, AA Industries, etc.

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Table of stock prices for various companies including AC, AC Corp, AC Industries, etc.

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U.S. Futures

Via The Associated Press

Table of U.S. Futures prices for various commodities.

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Kuwaitis Raise BP Stake

By 18.5 Million Shares

LONDON — The Kuwait Investment Office, an investment arm of the Kuwaiti government, said Monday that it had raised its stake in British Petroleum Corp. PLC to 18.34 percent.

KIO said it had bought 18.5 million partly paid BP shares on Dec. 31 at 71.35 pence (\$1.34) a share, bringing its total holding in BP to 1.09 billion shares.

The BP shares, issued in October when the government sold its remaining stake in Britain's biggest company, were the most actively traded shares in London on Monday; 51.3 million, or more than 1 percent of BP's equity, changed hands.

They finished the day at 73 pence, up 2.5 pence from the close Thursday. Fully paid BP ordinary shares closed 10 pence ahead, at £2.58.

KIO's recent purchases of BP shares have been above the British government's 70 pence support price, which expires Wednesday. The government's share issue after it was heavily undersubscribed at its launch, following the collapse of world stock markets in October.

KIO has declined to comment on the total stake in BP it seeks. Most oil analysts believe KIO is interested only in building a BP stake as a long-term investment.

Korean Trade Surplus Seen Narrowing in '88

The Associated Press

SEOUL — South Korea's trade surplus in 1988 is expected to exceed \$4 billion, down from \$6.55 billion in 1987, the Trade and Industry Ministry said Monday.

Japan GATT Plan Urges Freeze in Farm Subsidies

Reviewers

GENEVA — Japan has submitted a long-awaited proposal to the trade talks of the 105-nation General Agreement on Tariffs and Trade, calling for a freeze in and eventual phasing out of agricultural export subsidies.

But, under fire for its restrictions on imports of rice and other goods, it stressed each nation's right to subsidize domestic producers to ensure food supplies.

The nine-page paper, submitted to the GATT secretariat over the holidays, was made available on Monday. Japan is to present it formally at the Feb. 15 meeting of the agricultural negotiating group the current GATT negotiating round, known as the Uruguay round. The talks, which are aimed at breaking down trade barriers, were launched in September 1986, in Punta del Este, Uruguay.

"As the first step," the Japanese plan said, "it is necessary that major exporting countries implement a standstill, on an emergency basis and in concrete terms, by freezing export subsidies at current levels, thereby creating a sound and constructive environment conducive for the negotiations."

"Export subsidies shall be phased out over a fixed period of time to be agreed on through negotiations," the plan added.

But it distinguished domestic subsidies for food security from export subsidies which "by their nature are obstacles to the stability and expansion of trade in agriculture."

The United States, the EC and the 14-nation Cairns Group, which includes major farm producers such as Argentina, Australia, Brazil, Canada and New Zealand, have presented papers calling for liberalizing farm trade through the GATT talks.

Paris Commodities

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London Commodities

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Dividends

Jan. 4

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Japan Increases Chip Market Share

The Associated Press

SAN JOSE, California — Japanese semiconductor companies boosted their share of the world-wide chip market to 48 percent last year as they led an industry-wide resurgence, according to a report released Monday.

U.S. and Canadian companies captured 39 percent of the world market, according to the report by Dataquest Inc., a market research firm. The top five North American companies are Intel Corp., National Semiconductor Corp. and Advanced Micro Devices Corp.

NEC Corp. of Japan remained the world leader in chip sales for the third straight year, with revenues exceeding \$3 billion. Toshiba Corp. and Hitachi Ltd. were in second and third place.

Toys 'R' Us Sales Jump for Holidays

Reviewers

ROCHELLE PARK, New Jersey — Toys 'R' Us Inc. reported Monday that sales for the eight-week Christmas season, from Nov. 2 to Dec. 27, rose 30 percent to \$1.36 billion, from \$1.05 billion in the year-earlier period.

The company said sales for the 11 months ended Dec. 27 rose to \$2.95 billion, 27.7 percent more than the \$2.31 billion for the 11-month period in 1986.

"In its annual letter to shareholders, the company called 1987 an excellent year in terms of sales, earnings and expansion of market share. The company said its Christmas business was strong throughout the United States, and added that it had strong sales increases in its children's clothing stores."

Handwritten scribble at the bottom of the page.

BUSINESS ROUNDUP

3 U.S. Airlines Announce Fare Cuts

NEW YORK — Continental Airlines, the third-largest U.S. air carrier, announced fare cuts Monday averaging 15 percent to 20 percent, effective Wednesday. Northwest Airlines and Eastern Airlines later said they would also cut fares on some routes. Analysts said it was not surprising that the U.S. airlines would be seeking to boost revenues in a 1988-1989 slow travel season. Most of the Continental and Northwest fare cuts will expire in May. Eastern's cuts are to end next month. Bruce Hicks, a Continental spokesman, said that a ticket from Newark, N.J., to Denver will now sell for \$99, down from \$124, based on a round-trip ticket. A Newark to Los Angeles ticket will sell for \$119, down from \$139. Travelers will be able to travel first class by purchasing a no-reservations coach class ticket. "What we are trying to do is to make a fairly seasonal effort to generate new trips," said Jim O'Donnell, vice president for marketing at Continental, a Texas Air Corp. subsidiary. In Saint Paul, Minnesota, Northwest Airlines said Monday that it was reducing some fares and enhancing its frequent flier bonuses. It said it had cut its lowest discount fares by up to \$120 for round-trip flights through mid-May. Some of the lowest fares will require a Saturday night stay-over. The airline also will drop the advance purchase requirements for some fares. Examples of Northwest's new fares include a \$198 round-trip fare from Detroit to Los Angeles, down from \$268, and \$198 from Milwaukee to San Diego, down from \$248. In Miami, Eastern Airlines said it will cut fares for round-trip travel to and from Florida in an effort to boost slow bookings. Eastern said that it will cut fares from its domestic markets in the Northeast, Middle West and elsewhere beginning Wednesday. One-way fares between 10 Florida cities and New York, Philadelphia, Detroit, Cleveland and Pittsburgh were reduced to \$79. One-way fares between some Florida cities and Atlanta and Columbus, Ohio, were cut to \$69. The fares carry certain restrictions, including a two-day advance purchase, a Saturday layover and a maximum stay of 14 days. The fares are effective through Feb. 10, after which Eastern said it expects to raise prices. Eastern said it would be offering other incentives, including free car rentals, hotel accommodations and one-day cruises. In New York, industry analysts said they doubted Continental's move would spark an all-out fare war, analysts said. "It sounds fairly selective," said Edward Stark of PaineWebber Group Inc. "This is the time of the season for cutting fares to stimulate traffic." In moves last week to stimulate business, American, Continental and United airlines announced they would offer frequent flier triple mileage on flights this year, with certain restrictions, matching moves by Delta and Eastern. At CIMEX's Havana outlet, which opened Nov. 4, 50 experts appraise family jewels and scraps of precious metals brought by up to 400 customers a day. A waiting list has been drawn up and already bears 19,000 names. "We have issued \$4.14 million worth of purchase certificates," Mr. Martinez said.

Cubans Rush to Swap Gold For Western Luxury Goods

HAVANA — Cubans are rushing to exchange family jewelry for Western consumer goods under a project set up by a government-sanctioned precious metals company and designed to increase the country's foreign-currency reserves. Within two months, CIMEX, which is Cuban-owned and based in Panama City, has bought gold, silver and platinum valued at almost \$10 million at world market rates from nearly 10,000 Cubans, according to its general director, Enrique Martinez Noa. CIMEX certificates can be traded in two company-owned boutiques in Havana for such goods as French lingerie and Japanese stereo equipment. Cars are also available, though for the most part they are used vehicles made in Eastern Europe. Mr. Martinez said that in 1988, the company would open branches and deluxe department stores in four cities, and a further store in Havana specializing in high fashion. He said the Cuban government received a "very large tax" from each transaction, although he declined to say how much. The metals are purchased at 40 percent of world market rates, and melted down for resale. At CIMEX's Havana outlet, which opened Nov. 4, 50 experts appraise family jewels and scraps of precious metals brought by up to 400 customers a day. A waiting list has been drawn up and already bears 19,000 names. "We have issued \$4.14 million worth of purchase certificates," Mr. Martinez said.

China Assails Japan for Toshiba Ban

BEIJING — A Chinese news agency harshly criticized Japan on Monday over the failure of Toshiba Machine Co. to deliver equipment, saying that the credibility of all Japanese companies had been "deeply damaged." The official New China News Agency said that heavy losses suffered by Chinese factories could be blamed on a Japanese ban on exports of strategic technology. But an official of the Japanese Embassy questioned whether the report represented the official Chinese government view. China has demanded compensation for losses caused by the one-year ban on Toshiba Machine's exports to communist countries. The Japanese official said the demands were being studied, but that only seven of 25 Toshiba contracts remained in dispute. Japan's Ministry of International Trade and Industry imposed the ban on May 21 after revelations that the company, a subsidiary of Toshiba Corp., had sold advanced milling tools to the Soviet Union. The United States complained that the exports had helped the Soviet Union to develop quieter propellers for its submarines, making them harder to detect. The sales contravened the rules of the Coordinating Committee for Multilateral Export Controls, or COCOM, which regulates exports of military-related technology to communist nations. In its report, the Chinese news agency said: "The Toshiba case has nothing to do with China, but it is Chinese firms which are victimized. The Japanese export ban hurts the profits of Chinese firms and has deeply damaged the credibility of Toshiba and other Japanese companies." In 1984, the Chinese national airline CAAC ordered new radar systems and special testing equipment from Toshiba worth 1.85 billion yen (now about \$15 million). Because of the Japanese ban, only seven radar systems were delivered, the news report said. It quoted a CAAC spokesman as saying the failure to deliver the remaining two radar systems has "directly affected air traffic safety" at the Nanjing and Guiyang airports. "This may affect CAAC's investment for the entire seven-year plan period," which runs from 1986 to 1990, the spokesman was quoted as saying. Toshiba also had failed to deliver equipment to the Tianjin Heavy Machinery Plant, preventing it from meeting production quotas. In December, the Japanese government said it would allow Toshiba Machine to fulfill some contracts with China before the one-year ban expired, provided the goods were not subject to restrictions on export controls.

Robins Merger Questioned

RICHMOND, Virginia — A group that owns a controlling stake in A.H. Robins Co. said Monday it will not endorse Robins' merger with the pharmaceutical company Sanofi SA until it hears from two other companies that submitted bids. "We are not convinced that anybody has put down an offer that is truly fair to the shareholder," said Robert Miller, attorney for a committee of shareholders who own 60 percent of Robins stock. The Sanofi proposal, valued at \$600 million, was accepted by Robins directors on Friday over proposals from Rorer Group Inc. and American Home Products Corp. All three bids included proposals to comply with a bankruptcy court order to set up a trust fund of \$2.48 billion to settle claims related to Robins' Dalkon Shield contraceptive device. Robins filed for Chapter 11 protection from creditors in August 1985 after receiving the claims. Murray Drabkin, a lawyer for the claimants, has also objected to the Sanofi plan, saying it does not promise full and prompt compensation. The trust and any merger agreement will be included in a revised reorganization plan that Robins must submit by Wednesday.

Pratt Group Makes Offer for ACI

MELBOURNE — Austrac Investments Ltd., a joint venture led by Pratt Group, said Monday it would make a bid of 1.6 billion Australian dollars (\$1.2 billion) for ACI International Ltd., the glass and packaging group. But ACI said the bid was too low. The offer amounts to 4 dollars a share. ACI's shares rose to the bid price in trading on the Australian Stock Exchange after the offer was unveiled, up from Thursday's closing of 3.85 dollars. At its peak last year, ACI's stock was trading at 4.70 dollars a share. With a 15 percent holding, Pratt Group is the second-largest shareholder in ACI, according to Australian Stock Exchange records. Its offer is conditioned upon Austrac winning control of at least 50 percent of ACI's issued capital. Comparable offers will be made for ACI's partly paid shares, Austrac said. Brian Scott, ACI's chairman, advised shareholders not to sell their shares to Austrac until his company received full details of the bid and made a recommendation. He said that if Austrac retained ACI's interim dividend of 8.5 cents a share payable in February, the proposed bid would only be worth 3.915 dollars a share. Austrac did say how its offer would treat ACI's interim dividend. About 85.2 percent of Austrac is held by Pratt, a large private packaging company controlled by the businessman Richard Pratt. A 14.8 percent stake is held by BTR Nylax Ltd., a diversified manufacturer. Austrac said that its offering price represented a multiple of 16.8 times ACI's earnings per share for the year ended March 31, 1987, compared with an average price-earnings ratio of 10.4 for companies listed on the exchange's All-Industries index. The bid is 54 percent higher than the value of ACI's net tangible assets as the last fiscal year, Austrac added. It estimated those assets at 1.04 billion dollars. BTR Nylax's managing director, Alan Nyckel, said that Austrac would study the profitability of ACI's assets and activities to determine whether a restructuring would be advantageous.

3 of Japan's Top Shipbuilders Are Discussing Cooperation

TOKYO — Three of Japan's top shipbuilders — Ishikawajima-Harima Heavy Industries Co., Kawasaki Heavy Industries Ltd. and Nippon Kokan KK — have been discussing joint approaches to streamlining their operations, a Nippon Kokan spokesman said Monday. "It is true we've had talks and have a few options to integrate our operations," he said. "But when it comes to a full-scale collaboration, there is a long way to go." He did not elaborate. The capacity of the three together would exceed that of Japan's largest shipbuilder, Mitsubishi Heavy Industries, the only one of the country's big shipbuilders to show a profit in 1986-87. Japan's Transport Ministry wants the country's hard-pressed shipbuilders to cut at least 20 percent of their capacity by March 31. Mitsubishi has plans to cut its capacity by 22.4 percent, but it has not yet applied to the ministry, a Mitsubishi statement said. Nippon Kokan, Hitachi Zosen Corp. and Mitsui Engineering & Shipbuilding Co. have each filed plans with the Transport Ministry to cut their capacity by 25 percent to 27 percent.

BoSa Sale Brings \$70 Million

SAN FRANCISCO — BankAmerica Corp. said Monday that it expects to report an extraordinary pretax profit of about \$70 million in the fourth quarter of 1987 on the sale of its 41 percent stake in UOB Holding SA of Switzerland, parent of United Overseas Bank, to its partners, Dresdner Bank AG and Banque Nationale de Paris SA. The company said the sale was completed at year-end. Terms were not disclosed.

MARIMEKKO: Finnish Fabric Maker Seeks to Shed Losses and '60s Look

(Continued from first finance page) and a half ago, "was to make prints I could wear myself." The changes are striking, but according to Jarmo Peltonen, director of Helsinki's Museum of Applied Arts, the fabrics retain a quality of visual art. "Marimekko is as good as a painting," he said. Marimekko's international cachet was the factor that attracted Amer Group, whose main businesses include importing Toyota cars and selling Marlboro cigarettes under license. In its first year with Marimekko, Amer expanded its production, only to find it had gobbled its own market. It became clear that Amer Group had to craft a strategy combining stronger financial controls with an appreciation of Marimekko's creative strengths. Marimekko decided to concentrate on what it knows best: women's ready-to-wear clothing and home interior products. According to Mr. Groenlund, 70 percent of profits come from women's clothing and 20 percent from the home-interior line. The rest comes from royalties. In its women's lines, Marimekko is emulating Italy's Benetton SpA, which specializes in clothes that can be mixed and matched. Unisex clothes, once Marimekko's trademark, are mostly a thing of the past. It offers just a few men's shirts, and its women's clothes are now more feminine. Management has undergone a complete overhaul. It has a new president, marketing director and public relations director, plus younger designers. There were no mass dismissals, but several executives and designers have departed, uncomfortable with the new business focus. Marimekko is also scrutinizing production costs. Most of its women's line is manufactured in Finland, where labor and supply costs are high. Although Marimekko argued for years that sales volume on many items was too low for overseas manufacture, Mr. Groenlund decided to start manufacturing in Italy, Portugal and Hong Kong. He estimates that the company can save 30 to 40 percent by producing in Portugal, and even more in Hong Kong. It is producing printed knitwear in Italy and T-shirts in Portugal, and it plans to add production in other markets this year. Although it seems that Marimekko again will lose money this year, Mr. Groenlund predicts that it should post a profit "certainly by 1989-90." Estimates of Marimekko's current revenues are not available, partly because the company is buried so deeply in the Amer Group conglomerate. Marimekko has 13 independent retail outlets in Finland wholly owned by Amer Group, but sells most of its products worldwide through independent retailers that have allocated at least 50 percent of their space to Marimekko products. There are about 150 such shops throughout the world, mainly in Sweden, West Germany and the United States. Marimekko also manufactures and sells home design goods under license.



Bente Pedersen, manager of Marimekko's Manhattan store.

mined its precarious balance. Described by a former designer, Markku Piri, as "the creative force and devil behind everything," Ms. Raita and Marimekko became one and the same. She strived to make Marimekko not just a company but a way of life. Her summer house was a haven for influential people from all over the world. In 1979, however, Ms. Raita developed pneumonia and died, and the company went into what one designer described as a coma. Her three children, who controlled the company's voting rights, took over. Ristomat Raita, the eldest son who ran the American operations from the United States, and his siblings streamlined costs. The year after Ms. Raita's death, operating profits more than quadrupled from the year before. Ristomat Raita saw a need to expand product lines, especially in the American market, to maintain its reputation for quality and innovation. But he said his family, which ran the company with him from Finland, did not understand the American market, or business in general. In 1985, the Raita children decided to sell the company to Amer Group for what was then the equivalent of \$6 million in cash and Amer Group stock. The Raitas are no longer with the company. The sale and the shift in corporate strategy were politically controversial in Marimekko's homeland. Finnish designers worry that the company, which for years represented Finnish design at its best, might lose its Finnish identity as it met the pressures of the international marketplace. "How Marimekko can keep this tradition of Finnish design is a question mark," Timo Bergman, managing director of the Finnish Society of Crafts and Design. "And it's not just Marimekko that is faced with this. Everything depends on how the national and local culture can defend itself against internationalization."

less rapidly, but at a "healthy rate." The company would not give a breakdown. Analysts seem to believe that Mr. Groenlund's optimism is justified. "The future of Marimekko is good because the management of Amer Group is so professional," said Mr. Kallio, the Helsinki analyst. "Marimekko is a strong name above all, and Amer Group is a very strong group," said Karita Brostrom, an analyst at Kansallisen Osaike Pankki, a Helsinki bank. Marimekko, which is Finnish for "Mary's frock," was founded in 1951 in Finland by Armi Ratia. Her husband was running a textile firm, and she opened a small clothing company in the hope that her designs would attract potential customers for her husband's business. She was right. When Marimekko introduced its innovative and boldly colored designs in a nation that was trying to pull itself together after World War II, there was a ready-made market. Export possibilities soon developed. According to Vuokko Nurmesniemi, who was chief designer from 1953-60 and now heads her own company, the turning point came during the 1960 presidential campaign, when Jacqueline Kennedy bought several Marimekko dresses. But by 1963, despite a growing international reputation, the company was tottering near financial collapse. "We had in principle a very good company, very badly managed," said Joern Donner, who was brought in to help revive Marimekko. Marimekko has 13 independent retail outlets in Finland wholly owned by Amer Group, but sells most of its products worldwide through independent retailers that have allocated at least 50 percent of their space to Marimekko products. There are about 150 such shops throughout the world, mainly in Sweden, West Germany and the United States. Marimekko also manufactures and sells home design goods under license.

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Billions Again
Wong Labs spent fortunes pioneering world processing in the early 70s with its shares climbing from \$1 to \$43 as the industry generated billions. Write, phone or telex for complimentary reports on such subjects as how Wong is doing it again in integrated imaging systems.

VESPER
Société d'investissement à capital variable
AVIS AUX ACTIONNAIRES
CONVOCACTION
Nous vous prions de bien vouloir assister à l'assemblée générale ordinaire de VESPER, société d'investissement à capital variable, qui sera tenue au siège social, 10a, boulevard Royal, Luxembourg, le vendredi 15 janvier 1988 à 11 heures et qui aura l'ordre du jour suivant:
1. Recueillir et adopter le rapport de gestion du Conseil d'Administration pour l'exercice clos au 31 octobre 1987;
2. Recueillir et adopter le rapport du commissaire pour l'exercice clos au 31 octobre 1987;
3. Recueillir et approuver les comptes annuels arrêtés au 31 octobre 1987;
4. Affectation du bénéfice de la société;
5. Donner quinquas aux administrateurs et au commissaire pour l'accomplissement de leur mandat jusqu'au 31 octobre 1987;
6. Renouveler le mandat des administrateurs et du commissaire pour un terme d'un an devant expirer à la prochaine assemblée générale ordinaire des actionnaires;
7. Diverses.
Les actionnaires nominatifs inscrits au registre des actionnaires à la date de l'assemblée seront autorisés à voter ou à donner procuration en vue du vote.
Les procurations doivent parvenir au siège social six mois 24 heures avant la réunion.
La présente convocation et une formule de procuration ont été envoyées à tous les actionnaires inscrits au 18 décembre 1987.
Des formulaires de procuration sont disponibles sur demande au siège social de la société.
Pour avoir le droit d'assister ou de se faire représenter à cette assemblée, les propriétaires d'actions au porteur doivent avoir déposé leurs titres cinq jours francs avant l'assemblée soit au siège social de la société, soit aux guichets d'un établissement bancaire national de la société, soit aux guichets d'un établissement bancaire.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 4th Jan. 1988

Table with multiple columns listing various international funds, their symbols, and current prices. Includes sections for 'Other Funds' and 'AMERICAN GROUP'.

**Monday's AMEX Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

*The Associated Press*

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
127 1/2	117 1/2	48 AMGN	1.10	11	117 1/2	117 1/2	+
131 1/2	121 1/2	49 AMT	1.10	11	121 1/2	121 1/2	+
135 1/2	125 1/2	50 AMR	1.10	11	125 1/2	125 1/2	+
139 1/2	129 1/2	51 AMT	1.10	11	129 1/2	129 1/2	+
143 1/2	133 1/2	52 AMT	1.10	11	133 1/2	133 1/2	+
147 1/2	137 1/2	53 AMT	1.10	11	137 1/2	137 1/2	+
151 1/2	141 1/2	54 AMT	1.10	11	141 1/2	141 1/2	+
155 1/2	145 1/2	55 AMT	1.10	11	145 1/2	145 1/2	+
159 1/2	149 1/2	56 AMT	1.10	11	149 1/2	149 1/2	+
163 1/2	153 1/2	57 AMT	1.10	11	153 1/2	153 1/2	+
167 1/2	157 1/2	58 AMT	1.10	11	157 1/2	157 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
171 1/2	161 1/2	59 AMT	1.10	11	161 1/2	161 1/2	+
175 1/2	165 1/2	60 AMT	1.10	11	165 1/2	165 1/2	+
179 1/2	169 1/2	61 AMT	1.10	11	169 1/2	169 1/2	+
183 1/2	173 1/2	62 AMT	1.10	11	173 1/2	173 1/2	+
187 1/2	177 1/2	63 AMT	1.10	11	177 1/2	177 1/2	+
191 1/2	181 1/2	64 AMT	1.10	11	181 1/2	181 1/2	+
195 1/2	185 1/2	65 AMT	1.10	11	185 1/2	185 1/2	+
199 1/2	189 1/2	66 AMT	1.10	11	189 1/2	189 1/2	+
203 1/2	193 1/2	67 AMT	1.10	11	193 1/2	193 1/2	+
207 1/2	197 1/2	68 AMT	1.10	11	197 1/2	197 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
211 1/2	201 1/2	69 AMT	1.10	11	201 1/2	201 1/2	+
215 1/2	205 1/2	70 AMT	1.10	11	205 1/2	205 1/2	+
219 1/2	209 1/2	71 AMT	1.10	11	209 1/2	209 1/2	+
223 1/2	213 1/2	72 AMT	1.10	11	213 1/2	213 1/2	+
227 1/2	217 1/2	73 AMT	1.10	11	217 1/2	217 1/2	+
231 1/2	221 1/2	74 AMT	1.10	11	221 1/2	221 1/2	+
235 1/2	225 1/2	75 AMT	1.10	11	225 1/2	225 1/2	+
239 1/2	229 1/2	76 AMT	1.10	11	229 1/2	229 1/2	+
243 1/2	233 1/2	77 AMT	1.10	11	233 1/2	233 1/2	+
247 1/2	237 1/2	78 AMT	1.10	11	237 1/2	237 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
251 1/2	241 1/2	79 AMT	1.10	11	241 1/2	241 1/2	+
255 1/2	245 1/2	80 AMT	1.10	11	245 1/2	245 1/2	+
259 1/2	249 1/2	81 AMT	1.10	11	249 1/2	249 1/2	+
263 1/2	253 1/2	82 AMT	1.10	11	253 1/2	253 1/2	+
267 1/2	257 1/2	83 AMT	1.10	11	257 1/2	257 1/2	+
271 1/2	261 1/2	84 AMT	1.10	11	261 1/2	261 1/2	+
275 1/2	265 1/2	85 AMT	1.10	11	265 1/2	265 1/2	+
279 1/2	269 1/2	86 AMT	1.10	11	269 1/2	269 1/2	+
283 1/2	273 1/2	87 AMT	1.10	11	273 1/2	273 1/2	+
287 1/2	277 1/2	88 AMT	1.10	11	277 1/2	277 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
291 1/2	281 1/2	89 AMT	1.10	11	281 1/2	281 1/2	+
295 1/2	285 1/2	90 AMT	1.10	11	285 1/2	285 1/2	+
299 1/2	289 1/2	91 AMT	1.10	11	289 1/2	289 1/2	+
303 1/2	293 1/2	92 AMT	1.10	11	293 1/2	293 1/2	+
307 1/2	297 1/2	93 AMT	1.10	11	297 1/2	297 1/2	+
311 1/2	301 1/2	94 AMT	1.10	11	301 1/2	301 1/2	+
315 1/2	305 1/2	95 AMT	1.10	11	305 1/2	305 1/2	+
319 1/2	309 1/2	96 AMT	1.10	11	309 1/2	309 1/2	+
323 1/2	313 1/2	97 AMT	1.10	11	313 1/2	313 1/2	+
327 1/2	317 1/2	98 AMT	1.10	11	317 1/2	317 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
331 1/2	321 1/2	99 AMT	1.10	11	321 1/2	321 1/2	+
335 1/2	325 1/2	100 AMT	1.10	11	325 1/2	325 1/2	+
339 1/2	329 1/2	101 AMT	1.10	11	329 1/2	329 1/2	+
343 1/2	333 1/2	102 AMT	1.10	11	333 1/2	333 1/2	+
347 1/2	337 1/2	103 AMT	1.10	11	337 1/2	337 1/2	+
351 1/2	341 1/2	104 AMT	1.10	11	341 1/2	341 1/2	+
355 1/2	345 1/2	105 AMT	1.10	11	345 1/2	345 1/2	+
359 1/2	349 1/2	106 AMT	1.10	11	349 1/2	349 1/2	+
363 1/2	353 1/2	107 AMT	1.10	11	353 1/2	353 1/2	+
367 1/2	357 1/2	108 AMT	1.10	11	357 1/2	357 1/2	+

12 Month High	Low	Stock	Div. Yld. PE	52 High	Low	Close	Chg.
371 1/2	361 1/2	109 AMT	1.10	11	361 1/2	361 1/2	+
375 1/2	365 1/2	110 AMT	1.10	11	365 1/2	365 1/2	+
379 1/2	369 1/2	111 AMT	1.10	11	369 1/2	369 1/2	+
383 1/2	373 1/2	112 AMT	1.10	11	373 1/2	373 1/2	+
387 1/2	377 1/2	113 AMT	1.10	11	377 1/2	377 1/2	+
391 1/2	381 1/2	114 AMT	1.10	11	381 1/2	381 1/2	+
395 1/2	385 1/2	115 AMT	1.10	11	385 1/2	385 1/2	+
399 1/2	389 1/2	116 AMT	1.10	11	389 1/2	389 1/2	+
403 1/2	393 1/2	117 AMT	1.10	11	393 1/2	393 1/2	+
407 1/2	397 1/2	118 AMT	1.10	11	397 1/2	397 1/2	+



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Jan. 4

Issuer/Note	Coupon	Next	Bid	Ask
Chicora Myny	7%	02/01/88	92.15	92.15
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CURRENCY MARKETS

DOLLAR: Central Banks Scramble to Boost Currency

(Continued from Page 1)

As the goes course, Greenspan is very concerned about causing a recession by raising rates," he said, referring to the Fed chairman, Alan Greenspan. "But, by the same token, the Fed cannot ease interest rates either. That would cause a dollar free-fall."

London Dollar Rates table with columns for currency, rate, and change.

In Paris, a newspaper quoted Finance Minister Edouard Balladur on Monday as saying that the Group of Seven secretly agreed to intervene on behalf of the dollar before releasing its endorsement of currency stability on Dec. 22.

London Copper Soars \$100, Then Falls Back

By Bill Sings

LOS ANGELES — For mutual funds, 1987 was the ultimate roller coaster. They began 1987 riding an unprecedented boom in sales and performance. But they ended the year with widespread losses.

After Setting Records, Sales Slumped

As Stock Collapse Shook Confidence

Equity funds, blasted by the stock market collapse on Oct. 19, posted their worst performance since 1981 and again failed to beat the major market indexes. Bond and income funds, long the most popular mutual fund category, barely posted a gain for the year as bond prices were pummeled in 1987 by rising interest rates.

Balladur Says G-7 Secretly Agreed to Support Dollar

Compiled by Our Staff From Dispatches

PARIS — The Group of Seven in December secretly agreed to support the dollar when it issued a statement on currency exchange policy, Finance Minister Edouard Balladur of France said in a statement carried by a Paris financial newspaper on Monday.



Edouard Balladur

over the past week to support the dollar, which has nevertheless slid to postwar lows against the yen and Deutsche mark.

The dollar touched a new low in Tokyo on Monday but recovered in Europe after strong intervention by central banks.

Some analysts have partly attributed the dollar's sustained fall to the lack of specific details on the G-7's plans. Mr. Balladur, referring to the December meeting, said, "In the second place it was agreed that the dollar should fall no further."

central banks to defend exchange rate bands.

But Mr. Balladur's statement falls into line with indications from those officials that the group agreed on broad upper and lower limits for major currencies. Mr. Balladur said the G-7 agreement also "confirmed the necessity of a coordination of economic policies to correct the imbalances that affect the world economy."

Monday's OTC Prices advertisement with logo and text.

Market data table with columns for High, Low, Stock, Div. Yld., 1986 High, Low, 4 P.M. C.Y.

Market data table with columns for High, Low, Stock, Div. Yld., 1986 High, Low, 4 P.M. C.Y.

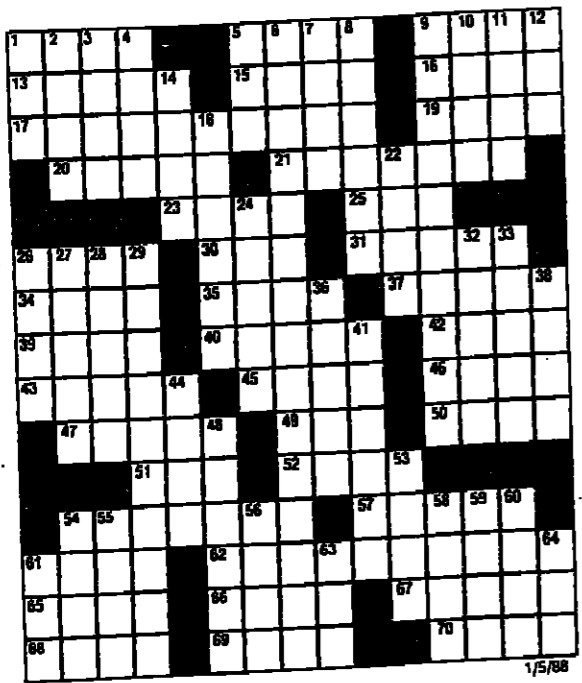
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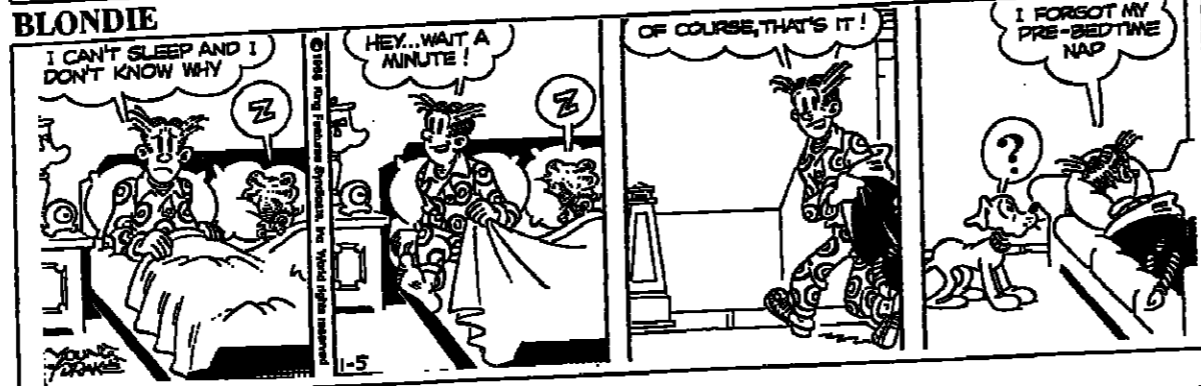
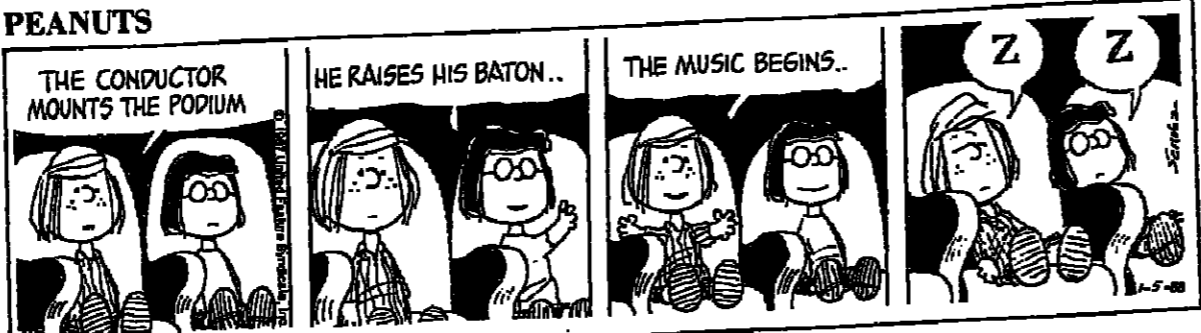
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Market data table with columns for High, Low, Stock, Div. Yld., 1986 High, Low, 4 P.M. C.Y.

Small text at the bottom of the page providing additional market information and disclaimers.



ACROSS
1 Taj Mahal site
5 Humane org.
9 Dutch painter
13 French snider
15 Corrida cries
16 Biblical wives
17 Celebrities
19 Assistant
20 Jargon
21 Midnight's antithesis
23 "The King"
25 Agt.
26 Eskimo's "giddyup!"
30 Alley — of comics
31 Titter sound
34 Suffix with resist
35 Kind of squad
37 White cliffs spot
39 Thought
40 Come in
42 Roman fiddler
43 Gives temporarily
45 Autry or Tunney
46 Arthurian lady
47 Lease anew
49 Indicate
50 Fr. holy women
51 Jima
52 Snare
54 Gentlemen of Verona
57 Mob
61 Pshaw!
62 A la carte
65 Aid an arsonist
66 The Order, to a Czech
67 Pony or bean
68 Employ's
69 Santa's largesse
70 Pindar's output
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54 Part-time tchrs.
55 What video means
56 Change décor
58 Paducah's river
59 Make one's way
60 Calendar item
61 Greek letter
63 Rhoingold!
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THE TENANTS OF TIME

By Thomas Flanagan. 824 pages. \$21.95. William Abrahams/E. P. Dutton, 2 Park Avenue, New York, N. Y. 10016.

Reviewed by Christopher Lehmann-Haupt

IT is 1904 at the opening of Thomas Flanagan's lyrical new novel, "The Tenants of Time," a sequel in a manner of speaking to the author's celebrated earlier novel of Irish history, "The Year of the French" (1979). A young schoolboy from Oxford, Patrick Prentiss, arrives in the village of Kiltipper, County Cork, drawn there by the legends and ballads surrounding a famous Fenian uprising that took place there and in neighboring Clonbroony Wood on March 6, 1847.

other witnesses. Ned Nolan, the leader of the uprising, serves a long, hard term in prison and then becomes part of a terror ring that instigates various attacks including the political murders in Phoenix Park in Dublin in 1882.

Two of Nolan's lieutenants in the uprising, Robert Delaney and Vincent Tully, seem to follow very different paths. Tully, the son of Kiltipper's leading merchant, grows into a charming rakehell who hunts and carouses with the local gentry. Delaney, a peasant boy who has got his start in the Tully establishment, becomes a solicitor, helps to organize the Land League in Kiltipper, and is elected to Parliament as part of Charles Stewart Parnell's Home Rule Party. But as far apart as they wander, they will be pulled together again by the novel's explosive and traumatic ending.

It takes a while for Flanagan to work up momentum in "The Tenants of Time." The shifts in point of view are occasionally confusing. There is some trite burbling about the impossibility of knowing history and about the past being a kaleidoscope. "Such lovely parables, but then a turn of the wrist, and the bits of colour would fall about, and make an entirely new one." The motivation behind the Kiltipper uprising is for a long time emotionally, if not intellectually, obscure, making it hard for the reader to get fully caught up for the first few hundred pages.

Yet as it finally turns out, it is fully worth bearing with Flanagan, a professor of English at the State University at Stony Brook, New York. There is never any doubt about the beauty of the novel's scenery, by turns as lush as a Constable or as moody as a Whistler (who, incidentally, puts in a cameo appearance). Nor about the eloquence of the dialogues, which soars and stings. Nor about the vividness of the characters, which is such that one never needs to consult the list of over a hundred of them that is provided at the back of the book.

Is the past that Flanagan recognizes from our present conscious? Perhaps, but he makes it so vivid that by the end of his book, our concern is not so much to remember it as to forget it. "We are all the tenants of Time," one of his characters observes, "and whatever it is that reminds us, that thing we will covet as a murderer, like the messenger bringing bad tidings."

Christopher Lehmann-Haupt is on the staff of The New York Times.

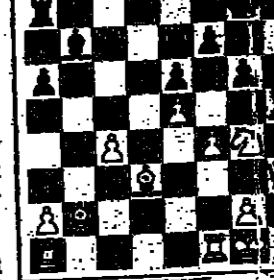
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CHESS

By Robert Byrne

THE Pan-Pacific International Tournament, the strongest such event in San Francisco history, was appropriately won by two players from distant shores, Ulf Adianto, an Indonesian grandmaster, and Michael Rohde, a Queens, New York international master.

with 12 B-N2, it would have made sense for Spraggett to obtain some simplification with 12...P-N3. At any rate, 15 Q-Q4 could have been met by 15...Q-R2 and 15 K-R1 by 15...R-Q1. Whether Black could have held off a more leisurely buildup with 15 QR-K1 is another question.



Rohde's virtuosity in a mating attack was nowhere so evident as in his defeat of the Canadian grandmaster Kevin Spraggett. In most lines of the Sicilian Defense, the exchange of 7 N-Kn, N-Pn would be wrong because it strengthens the black center. But the Kan Variation develops so slowly that White is often tempted to maximize his lead in pieces in the field without concerning himself about pawn structure. The method of attack that Rohde used, 9 P-B4, P-Q4, 10 Q-B3, had occurred in a game between the Swiss master Edgar Walther and the former world champion Mikhail Tal in Zurich 1959. But there Tal had played the aggressive 10...B-N2 to counterattack quickly in the center. It is not obvious why Spraggett did not emulate him in this game.

On 14 Q-R3, it would not have done any good to defend by 14...N-B1 because 15 QR-K1 would threaten an early kingside breakthrough with 15 N-N4, 17 N-B2 and 19 N-N4! brought his last minor piece to the attack. The brutal threat now was 20 Q-R6 followed by 21 N-B6ch. Spraggett's resource, 19...P-KR4, was struck by Rohde's sparkling 20 N-R6ch, leaving his knight trapped by 20...K-N2 to blast open the black king position with 21 P-B5! On 21...K-PxP, there could have followed the annihilating 22 NxPch!, PxN: 23 QxP, RxP; 24 QxP, K-R1; 24 QxPch, K-N1; 26 Q-N6ch, K-R1; 27 R-B7.

On 21...KxN, there could have followed 22 P-NP, RxP; 23 QxP, PxP; 24 R-B7; Q-Q1; 25 B-Bch, B-N4; 26 QxQ, RxQ; 27 BxBch, KxB; 28 RxB, winning easily. In this same line, if 23...Q-Q1, White wins, if 23...Q-Q1, White wins.

DENNIS THE MENACE



THE SUN AND THE MOON LOOK THE SAME BUT THEY'RE AS DIFFERENT AS DAY AND NIGHT.

JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.
TYIED
NELIR
HOMIDS
EDGITS

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.
ANSWER: LET

World Stock Markets

Via Agence France Presse Closing prices in local currencies, Jan. 4

Table of World Stock Markets with columns for Amsterdam, London, Hong Kong, Frankfurt, and other markets, listing various stock indices and prices.

Table of Asian Stock Markets including Singapore, Manila, Seoul, and Tokyo, listing various stock indices and prices.

Table of European Stock Markets including Paris, Zurich, and London, listing various stock indices and prices.

Table of International Stock Markets including Toronto, Sydney, and other global indices, listing various stock indices and prices.

WEATHER

Table of Weather forecasts for Europe, Middle East, and Oceania, listing high and low temperatures and conditions.

S. Korea Repays Some Debt Early

SEOUL — South Korea's Finance Ministry said Monday that the government repaid \$1.1 billion in foreign loans ahead of schedule in December, reducing the government's foreign debt to \$35.5 billion.





SPORTS

Oilers Beat Seahawks in Overtime

By Michael Wilbon

HOUSTON — One of the most stimulating playoff games in American Conference history ended eight minutes into overtime Sunday night when Tony Zendejas kicked a 42-yard field goal to give Houston a 23-20 National Football League wild-card victory over Seattle.

whether the ball hit or not so we had to go with the call on the field. We did not get a clear-cut view of whether Young caught the ball before it hit the ground — part of his arm covered up the ball.

The Oilers (10-6) had to think they had it won with 1:47 left in the fourth quarter when Zendejas lined up for a 29-yard field goal, because he had never missed inside 30 yards. Houston was up by 20-13, as a result of Willie Drewrey's first career touchdown reception, on a 29-yard pass from Moon midway through the period. A 10-point lead would have meant the game was over.

game, 20-20, with 26 seconds left in regulation time. It was a stunning play that caught many of the 49,622 fans in the aisles or the parking lots headed for home. And it shocked the Houston defense. It was the second touchdown of the game for Largent, who had seven receptions for 132 yards. What made it all the more impressive was that the Seahawks, playing without injured running back Curt Warner, had to rely almost entirely on his pass receiving to move the ball.

NFL PLAYOFFS

"There was no possible way that ball hit the ground. I know I had it." Young had been involved in another controversial play, this one going his way. He stripped the ball from Houston's Mike Rozier, and it appeared Rozier was down. The replay ruled it a fumble and Seattle took possession.

On the overtime play, head linesman Dale Hamer said he was downfield about five yards and was looking straight across into the play. "I thought that the ball, the ground and the hands all came together at the same time," he said.

Rozier ran 21 times for 66 yards — a figure tarnished by two losses for 40 yards — and scored the one-yard touchdown that put Houston ahead, 10-7, early in the second quarter. Highsmith, the first-round draft pick from Miami, carried 12 times for 74 yards. Although their yardage wasn't overly impressive, Rozier and Highsmith enabled the Oilers to hold the ball 48 minutes to Seattle's 20.

Houston's Tony Zendejas, kicking for three in overtime and atoning for "the biggest miss of my life."

Seattle's Steve Largent, who had seven receptions for 132 yards, was the key player in the Oilers' victory.

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Gianfranco Rosi, reacting after putting Duane Thomas through the ropes to retain his World Boxing Council junior middleweight crown.

Rosi Keeps WBC Title, Faces Curry Next

GENOA — Gianfranco Rosi of Italy retained his World Boxing Council junior middleweight title here Monday with a seventh-round knockout of American Duane Thomas. Rosi will next face American Don Curry, who scored a unanimous decision over Lupe Aquino of Mexico on the same card.

Both Rosi and Thomas entered the ring at Genoa's Convention Center complex, weighing 154 pounds (69.8 kilograms), the limit for the class. Thomas's hopes of winning back the title he had lost to Aquino last July faded 50 seconds into the seventh round of a scheduled 12-rounder, when Rosi unleashed a nine-punch flurry that sent the challenger sprawling through the ropes as his cornermen rushed to keep him from falling into the front row of spectators.

Curry's victory drew little response from the crowd and little praise from boxing experts. Curry said he was thinking of winning the bout and not staging a show, "because it was the fight of my career" — crucial to gaining a title shot.

Coming off unexpected knockout losses at the hands of Briton Lloyd Honeyghan and Mike McCallum, Curry improved to 29-2. Honeyghan handed Curry his first professional defeat in taking away the unified welterweight title in November 1986. McCallum knocked him out in the fifth round of a title fight last July as Curry made an unsuccessful bid for the junior middleweight crown.

SCOREBOARD

Basketball

Table with columns for Eastern Conference, Western Conference, and Pacific Division. Lists teams and their records.

Football

Table with columns for College Top-20 Results, NBA Standings, and Final College Top-20 Polls. Lists teams and their records.

European Soccer

Table with columns for Spanish First Division, WALES CONFERENCE, and Campbeltown Conference. Lists teams and their records.

Hockey

Table with columns for NHL Standings, WALES CONFERENCE, and Campbeltown Conference. Lists teams and their records.

New Orleans Wakes Up Sadly Hung Over

By Ken Denlinger

NEW ORLEANS — The scene at a football hangover is similar to what clubbers nearby Bourbon Street at 4 A.M. — debris scattered about large men tipsy from something they had figured shouldn't be all that tough to handle.

For instance, an urbane person in a civilized setting might say of a rival's supporters: "Who has the tenacity to predict success over our gallant lads?" Here, they chant: "Who dat? Who dat? Who dat say dey gonna beat dem Saints?" There is no more folly than fans surprised and enchanted by their team. "Who dat?" could be heard everywhere.

nothing was quite so humbling as kick-returner Mel Gray's not being able to catch the ball. Punter Bucky Scribner "sure put something on the ball," Gray said, "because I couldn't catch it."

On his first error, Gray said, "it came down quickly, like a knuckelball. I've never returned balls like that. It played all kinds of tricks. The Vikings then got a momentum-turning field goal. Gray later had a punt smack off his feet, but the ball bounced harmlessly out of bounds."

New Orleans Wakes Up Sadly Hung Over

Not exactly trying, Minnesota all but handed New Orleans the game's first seven points. But the Vikings scored 46 of the next 47 points and doomed to sadness the last of the National Football League manias.

Well, Sunday started as Normandy for the Saints and ended as Dunkirk. They had wonderful offensive battle plans, but never got to use them because too many trenches got overrun.

Minnesota's Anthony Carter, however, could field a punt that sailed his way late in the first quarter — and the Saints couldn't field him. During and after that 84-yard touchdown return, they staggered. One of the finest regular-season NFL turnarounds ever, from 7-9 to 12-3, ended in a dismal rout.

The first signs of NFL giddiness are seen in stadium signs. Prominent on Sunday was one that read: "1 For the Money, 2 for the Show, 3 to Get Ready, 4 San Diego." As usual, the Saints will need tickets for the San Diego Super Bowl.

Loughery Fired As Bullet Coach

LANDOVER, Maryland — Kevin Loughery, who coached the Washington Bullets to an 8-19 start in the National Basketball Association this season, was fired late Sunday and replaced by assistant coach Wes Unseld.

Cruyff Quits as Coach of Ajax Amsterdam

AMSTERDAM — Johan Cruyff, the greatest soccer player in Dutch history, resigned Monday as coach of Ajax Amsterdam.

Ajax, with a markedly aggressive style under Cruyff, won last year's Cup Winners' Cup. But his offensive strategy has come under increasing criticism because of the team's sluggish performance to date this season.



Johan Cruyff

INTERNATIONAL CLASSIFIED (Continued from Back Page). Includes sections for ESCORTS & GUIDES, LONDON ESCORT AGENCY, ARISTOCATS, LONDON KENSINGTON, LONDON BELGRAVIA, MAYFAIR CLUB, and various international classifieds.

ART BUCHWALD
Go Away, My Son, Go

WASHINGTON — If this were an unusual situation I wouldn't write about it, but it's happening more and more in this great land.

Mrs. McDougal whispered to Mr. McDougal in their bedroom, "Is he still here?" Mr. McDougal replied, "Seems to be. I saw him eating breakfast this morning and reading my paper. Tell me again exactly what the conversation was two weeks ago."



Buchwald

"He said he wanted to come home for Christmas, and I told him, 'Son, that's wonderful. Your old room is waiting for you.'"

"Did he say anything about coming back for good?" McDougal asked. "Not that I recall. He told me he just wanted to be part of the family for the holiday season."

"Then why the hell is he still here?" McDougal demanded. "Perhaps he doesn't know the holidays are over. He was always weak on keeping time."

John Huston's 'Dead' Wins Critics Award

NEW YORK — The National Society of Film Critics voted "The Dead," the last film directed by the late John Huston, as best picture of 1987.

"Hush, he'll hear you." "Tough, he's 31 years old. He should be able to figure out when Christmas is over."

"Well, I have no intention of telling him to get out. You should see the fear on his face when I ask him to go down to the store and buy milk and bread. He looks like a drowning puppy."

"He has to go out and do something," Mr. McDougal said. "He's been in safe harbors too long."

"But he is so happy. I never saw anyone eat so much and sleep so late and watch TV so religiously. He told me the only thing that would make him happier is if he had his dog with him. It's the only thing he really loves," said Mrs. McDougal. "You can't separate a child from his dog."

"He's not a child and if he misses the dog that much let him go back to it." "Maybe we should both talk to him. We could tell him Christmas is over and we are looking forward to having him come back for Easter or the Fourth of July, whichever comes first."

McDougal said, "That makes sense. We'll promise to forward any messages to him from the guy in Minnesota. He's got to understand that we're kicking him out for his own good."

Mrs. McDougal said, "He'll never believe that. He'll think we don't want him because he's one more mouth to feed."

"If he believes that it's a better reason than I can come up with for booting him out in the cold," McDougal said. "Why don't we wait one more day, just in case he decides to leave on his own?"

"No way. He doesn't have a job and the chances of his friend calling him are no better than 1,000 to 1. We better get him out before the guy in Minnesota decides to move in with him."

"It's funny," Mrs. McDougal said. "I thought of all our children he would leave the next first and never want to come back."

"You never know until they reach 31 how becoming a grown-up is going to hit them. Let's go downstairs and have it out."

"What are you going to say?" McDougal replied. "How about, 'For favor, hijo, but our casa is not your casa.'"

By Cynthia Guttman

Paris-Dakar, Via Hell and Eternity

PARIS — When the late Thierry Sabine declared that the Paris-Dakar rally "would be a passion for those who go and a dream for the rest," he wed a perilous African adventure to all the high-tech resources of the television age.

The race's originality rests in its 80 percent participation by amateurs. Only 25 to 30 percent of the competitors reach the finish line in Dakar. "There is a complete difference between the amateur and the professional course," says Jacques de Farcy, an amateur who reached Dakar in 1985.

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Novelty as a counterweight to the "arms race" between car manufacturers, notably Peugeot (winner in 1987), Porsche, Mitsubishi, Range Rover and Lada, is seen as the only way to preserve the race's original open-to-all spirit.

Since Sabine's death in a helicopter crash during the 1986 rally, TSO has been taken over by his friend, Gilbert. With a charisma that many thought masked megalomania, Sabine was enamored with motorcycles, Africa and the desert, where he lost his way for three days during a race from Nice to Abidjan in 1975.

By leading the rally through remote and restricted territories, undisciplined to participants until the day before departure, Metzger is reiterating to car manufacturers and professionals alike that the Paris-Dakar rally is still "the greatest human adventure that exists, it's a rally where men go before the machine. They are there to prove themselves, to themselves."

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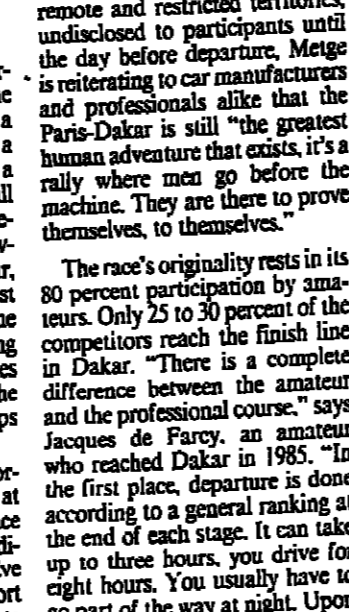
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Racing through villages, there is little chance of dialogue.

lanic on an ocean of sand" and the birth of the Paris-Dakar.

"My feeling is that in 15 or 18 years, I've had the chance to do everything that is possible in automobile competition as a professional," says Jacky Ickx, who won the Paris-Dakar with Claude Brasseur in 1984 and is competing this year on the Lada-Poch team.

The Paris-Dakar is a form of competition that takes on another dimension: The space is different, the conception of the race is the reflection of automobile sport as it existed thirty years ago and is fast disappearing in the professional world. Beyond the competitive side, there is the human experience. It's not enough just to be a good pilot. You have to be resourceful, tough psychologically. There is the problem of the unfamiliar terrain of the desert. Every time I am renewed there. Not for the competition, but for the return to the real value of oneself."

International show business caught the adventure virus. Such French celebrities as Michel Sardou, Daniel Balavoine and Chantal Nobel have taken to the road, and so has President Francois Mitterrand's chauffeur, Brasseur. He has been as professional as his his acting career, with six Dakars to his credit.

The rally soon raised some eyebrows. In 1985, Simone de Beauvoir, Philippe Norel, Haroun Tazieff and others appended their names to a movement opposing the Paris-Dakar rally. Aside from several accidents — the deaths of a Malian child in 1982 and a mother and child in Burkina Faso in 1985, the collapse of a bridge in eastern Mali in 1981 — the Pa'Dak collective, formed by European and African development organizations, is upset by the image of Africa as the last adventure ground for the West.

"Of course the problem is marginal compared to all the problems of these countries," says Jean-Marie Fardieu, a member of the Pa'Dak group. "But it's a question of how we act vis-à-vis Africa. The whole rally gives a completely deformed vision of Europe. It reinforces the mythical image of a people that can afford all pastimes and pleasures. There is no real exchange and no possibility of dialogue."

During the sandstorm of 1983, several lost competitors were rescued by Tuaregs and carried back



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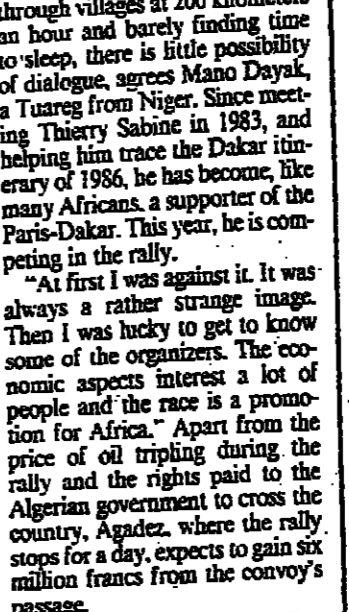
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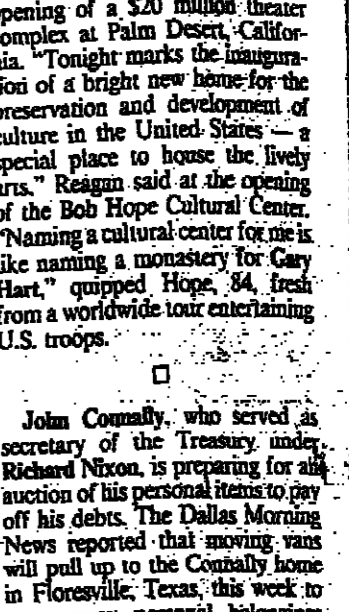
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